



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS	REDEVELOPMENT AGENCY
Dennis Kennedy, Mayor	Dennis Kennedy, Chair
Mark Grzan, Mayor Pro Tempore	Mark Grzan, Vice-Chair
Larry Carr, Council Member	Larry Carr, Agency Member
Greg Sellers, Council Member	Greg Sellers, Agency Member
Steve Tate, Council Member	Steve Tate, Agency Member

WEDNESDAY, APRIL 5, 2006

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL & REGULAR MEETING

and

REDEVELOPMENT AGENCY REGULAR MEETING

6:00 P.M.

A Special Meeting of the City Council is Called at 6:00 P.M. for the Purpose of Conducting Closed Sessions.

Dennis Kennedy, Mayor

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEM 15

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

15. [APPROVE JOINT REDEVELOPMENT AGENCY REGULAR AND CITY COUNCIL SPECIAL MEETING MINUTES OF MARCH 22, 2006](#)7

City Council Action

PUBLIC HEARINGS:

Time Estimate

Page

16. 5 Minutes [DEVELOPMENT AGREEMENT AMENDMENT APPLICATIONS DA-03-13 AND DA-05-01: MISSION VIEW DRIVE-MISSION RANCH](#)24
Public Hearing Opened.
Please Limit Your Remarks to 3 Minutes. Public Hearing Closed
Council Discussion.
Action- **Motion to Waive** the Reading in Full of Ordinance Amending Development Agreement DA-03-13.
Action- **Motion to Introduce** Ordinance by Title Only. (Roll Call Vote)
Action- **Motion to Waive** the Reading in Full of Ordinance Amending Development Agreement DA-05-01.
Action- **Motion to Introduce** Ordinance by Title Only. (Roll Call Vote)
17. 5 Minutes [VACATION OF A PORTION OF TAYLOR AVENUE](#)31
Public Hearing Opened.
Please Limit Your Remarks to 3 Minutes. Public Hearing Closed
Council Discussion.
Action- **Adopt** Resolution Vacating a Portion of Taylor Avenue.
Action- **Authorize** the City Manager to Sign Quitclaim Deeds on Behalf of the City.
Action- **Direct** the City Clerk to File Copies of the Quitclaim Deeds in the Office of the Santa Clara County Recorder.
Action- **Direct** the City Clerk to File a Certified Copy of the Resolution in the Office of the Santa Clara County Recorder.
18. 45 Minutes [GENERAL PLAN AMENDMENT GPA 05-05: CITY OF MORGAN HILL- URBAN LIMIT LINE \(ULL\)/ GREENBELT STUDY IMPLEMENTATION](#)38
Public Hearing Opened.
Please Limit Your Remarks to 3 Minutes. Public Hearing Closed
Council Discussion.
Action- **Continue** to April 19, 2006 Meeting.

PUBLIC HEARINGS:

	Time Estimate		Page
19.	30 Minutes	<u>URBAN SERVICE AREA APPLICATION, USA-05-02/ ZONING AMENDMENT APPLICATION, ZA-06-01/ ANNEXATION APPLICATION, ANX-03-01: EDMUNDSON-OAK MEADOW PLAZA</u>	52
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Continue</u> to April 19, 2006 Meeting.	
20.	15 Minutes	<u>GENERAL PLAN AMENDMENT APPLICATION, GPA-05-06/ URBAN SERVICE AREA APPLICATION, USA-05-01/ ZONING AMENDMENT APPLICATION, ZA-05-27/ ANNEXATION APPLICATION, ANX-05-18: SANTA TERESA BOULEVARD-BLACK ROCK</u>	53
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Continue</u> to April 19, 2006.	
21.	15 Minutes	<u>AMENDMENT TO DESIRABLE INFILL POLICY</u>	54
		<u>Recommended Action(s): Approve</u> Amendment to Policy.	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
22.	5 Minutes	<u>SOLID WASTE MANAGEMENT RATE ADJUSTMENT</u>	62
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion. Action- <u>Adopt</u> the Refuse Rate Resolution.	

OTHER BUSINESS:

	Time Estimate		Page
23.	15 Minutes	<u>AWARD CONTRACTS FOR CONSTRUCTION OF NEW LIBRARY AND APPROVE CONSULTANT AGREEMENTS AND AMENDMENT FOR PROFESSIONAL SERVICES</u>	66
		<u>Recommended Action(s):</u>	
		1. <u>Approve</u> Project Plan and Specifications;	
		2. <u>Approve</u> Financing Strategy as Outlined in Memo and Appropriate \$1.5 Million Additional Funding as Recommended;	
		3. <u>Reject</u> Bid Package Number 11-Glass, and <u>Authorize</u> Rebid;	
		4. <u>Waive</u> Minor Irregularities in Apparent Low Bid Numbers 7, 8, 9, 14, 15, 16, and 19 that do no Materially Affect Amount of Bid nor Provide a Competitive Advantage to Low Bidder as Shown on Bid Results Summary and as Reviewed by the City Attorney;	
		5. <u>Reject</u> Non-Responsive Apparent Low Bid Numbers 3, 4, 13, and 20 as Shown on the Bid Results Summary and as Reviewed by the City Attorney’	
		6. <u>Award</u> Construction Contracts for Various Prime Contractors in the Total Amount of \$10,701,023, per Bid Results Summary; Subject to Review and Approval by the City Attorney;	
		7. <u>Authorize</u> the City Manager to Execute Consultant Agreements for Professional Services During Construction, per Staff Report Memo; Subject to Review and Approval by the City Attorney;	
		8. <u>Authorize</u> the City Manager to Execute a Sixth Amendment to the Noll & Tam Design Agreement per Staff Report Memo; Subject to Review and Approval by the City Attorney;	
		9. <u>Approve</u> the Resolution Declaring the City’s Intent to Reimburse Certain Library Project Expenditures from Bond Proceeds.	
24.	5 Minutes	<u>FRIENDS OF THE MORGAN HILL LIBRARY “NAMING OPPORTUNITIES” FOR FUNDRAISING CAMPAIGN</u>	77
		<u>Recommended Action(s): Provide Direction</u> to The Friends of the Morgan Hill Library on Authorizing Room/Area Naming Rights to Potential Donors for the New Public Library as Part of their Fundraising Campaign.	
25.	5 Minutes	<u>CO-SPONSORSHIP REQUEST – COMMUNITY SOLUTIONS</u>	78
		<u>Recommended Action(s): Consider Request</u> for Co-Sponsorship from Community Solutions.	
26.	15 Minutes	<u>PERMANENT SKATE PARK – REVISION TO CAPITAL IMPROVEMENT PLAN</u>	79
		<u>Recommended Action(s):</u>	
		1. <u>Receive</u> Staff Report on Proposed Revision to Capital Improvement Plan for Development of a Permanent Skate Park per Youth Advisory Committee and Parks and Recreation Commission Recommendations; and	
		2. <u>Appropriate</u> \$65,000 of Measure C Impact Fees from Unappropriated Funds to be Combined with State Department of Recreation Grant Funding to Provide a Permanent Skate Park at the Approved Community Indoor Recreation Site.	

OTHER BUSINESS:

	Time Estimate		Page
27.	10 Minutes	<u>COMPREHENSIVE IMMIGRATION REFORM (HR4437)</u>	80
		<u>Recommended Action(s): Authorize</u> Mayor to Send a Letter in Opposition to HR4437, and in Support of Fairness and Justice for Immigrants.	

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT

PUBLIC COMMENTS ON ITEMS *NOT* APPEARING ON AGENDA

Following the opening of Council/Agency business, the public may present comments on items *NOT* appearing on the agenda that are within the Council's/Agency's jurisdiction. Should your comments require Council/Agency action, your request will be placed on the next appropriate agenda. No Council/Agency discussion or action may be taken until your item appears on a future agenda. You may contact the City Clerk/Agency Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA

The Morgan Hill City Council/Redevelopment Agency welcomes comments from all individuals on any agenda item being considered by the City Council/Redevelopment Agency. Please complete a Speaker Card and present it to the City Clerk/Agency Secretary. This will assist the Council/Agency Members in hearing your comments at the appropriate time. Speaker cards are available on the table in the foyer of the Council Chambers. In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Council/Agency. However, it is very helpful to the Council/Agency if speaker cards are submitted. As your name is called by the Mayor/Chairman, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the City Council/Agency Commission are limited to three minutes. We appreciate your cooperation.

NOTICE

AMERICANS WITH DISABILITIES ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City. If you need special assistance to access the meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation. Please make your request at least 48 hours prior to the meeting to enable staff to implement reasonable arrangements to assure accessibility to the meeting.

If assistance is needed regarding any item appearing on the City Council/Agency Commission agenda, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.

NOTICE

Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council/Agency Commission at, or prior to the Public Hearing on these matters.

NOTICE

The time within which judicial review must be sought of the action by the City Council/Agency Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

**CITY OF MORGAN HILL
JOINT REGULAR REDEVELOPMENT
AND SPECIAL CITY COUNCIL MEETING
MINUTES – MARCH 22, 2006**

CALL TO ORDER

Vice-chair/Mayor Pro Tempore Grzan called the special meeting to order at 7:00 p.m.

ROLL CALL ATTENDANCE

Present: Agency/Council Members Carr, Grzan, Sellers
Late: Chair/Mayor Kennedy (arrived at 7:49 p.m.)
Absent: Agency/Council Member Tate

DECLARATION OF POSTING OF AGENDA

Agency Secretary/City Clerk Torrez certified that the meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

Council Member Carr stated that he is a member of the South County Regional Wastewater Authority. He indicated that Paul Roy, Operational Management International, Inc. (OMI), general manager of the wastewater treatment plant, was in attendance to address the award received jointly by the Cities of Morgan Hill and Gilroy.

Paul Roy informed the Council that the award presented is the 2005 Overall Plant of the Year Award. He said that the California Water Environment Association presents this award annually to a plant that best exemplifies top operations. He indicated that the top operations are measured in 19 different parameters from financial to environmental compliance. He stated that Monterey Bay is the section to which the award was presented to the joint Morgan Hill-Gilroy plant. He thanked the Council for its vision and leadership; making it possible to win this award.

Mayor Pro Tempore Grzan indicated that a Santa Clara County Board of Supervisor has asked the City of Morgan Hill to present a Health Awareness Proclamation in an effort to support and motivate the community to choose a healthy and well balanced life style. On behalf of the City Council, he encouraged the promotion of health awareness by all residents, community organizations and all levels of government.

PRESENTATION

Director of Business Assistance and Housing Services Toy indicated that recently, the Morgan Hill Redevelopment Agency received an Award of Excellence from the California Redevelopment

Association under the category of commercial and industrial development for the adoptive reuse of the historic Granary project developed by Weston-Miles Architects with some financial assistance from the Redevelopment Agency. He presented the award to Charles Weston and Leslie Miles.

CITY COUNCIL COMMITTEE REPORT

None.

OTHER REPORTS

City Manager Tewes reported on flood control. He indicated that although the longer rainy season has been spread out, the City has not experienced significant flooding problems. However, the City understands it remains susceptible to large amount of rain; particularly in the downtown area which can flood. Because of this, the Council has long supported the federal Corp of Engineers' PL566 project that would significantly expand flood protection for the western portion of the community; especially the downtown. He stated that there has been a beurocratic fight taking place, with the Corp of Engineers believing they did not have sufficient federal authority to keep working on the project. He indicated the City is at a stage where it is finishing the environmental impact statement and preliminary engineering. He reported that he received word this week from Congressman Pombo's office that the Corp of Engineers has agreed that there is sufficient authority to keep working on this project. He stated that Congressman Pombo will work on subsequent federal legislation to make this project absolutely clear. Therefore, the PL566 project is back on track and will remain on track.

PUBLIC COMMENT

Vice-chairman/Mayor Pro Tempore Grzan opened the floor to public comments for items not appearing on this evening's agenda.

Matt Vignieri, San Martin resident, speaking in support of the Live Oak High School Grad Night program, informed the Council that \$34,000 needs to be raised for the Grad Night program, or it will be in jeopardy. This amount equates to \$57 per graduating student to ensure safety and provide for a special evening. He said that parents, local businesses and the community at large have helped to get close to the goal, but there remains a shortage of funds. He requested the City of Morgan Hill provide monetary support for Grad Night. He said that the volunteers for this program will agree to repay the generous donation through equivalent hours of community service to the City.

City Manager Tewes confirmed the law that governs open meetings does not allow the Council to take action or comment on items not listed on the agenda. Therefore, this item can be scheduled for the next Council meeting to allow discussion.

Nick Bowden, Live Oak High School Principal, supported funding for the Grad Night program in order to keep senior students safe.

No further comments were offered.

Redevelopment Agency Action

CONSENT CALENDAR:

Action: *On a motion by Agency Member Sellers and seconded by Agency Member Carr, the Agency Board, on a 3-0 vote with Agency Member Tate and Chairman Kennedy absent, Approved Consent Calendar Item 1 as follows:*

1. **FEBRUARY 2006 FINANCE AND INVESTMENT REPORT - RDA**
 Action: Accepted and Filed.

City Council Action

CONSENT CALENDAR:

City Manager Tewes informed the Council that on the Dais this evening, it will find clarifying information on Consent Calendar Items 3 (adoption of the negative declaration and a minor amendment to the Community Park Master Plan); and 10 (staff recommends the appropriation of an additional \$13,000, should it be needed, to help keep the project on a fast track; and the design of the West Little Llagas Trail). However, staff does not recommend these items be pulled from the Consent Calendar to be acted upon separately.

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 3-0 vote with Council Member Tate and Mayor Kennedy absent, Approved Consent Calendar Items 2-23, as follows:*

2. **FEBRUARY 2006 FINANCE AND INVESTMENT REPORT - CITY**
 Action: Accepted and Filed.
3. **AMENDMENT TO COMMUNITY PARK MASTER PLAN AND ADOPTION OF MITIGATED NEGATIVE DECLARATION**
 Action: 1) Adopted Mitigated Negative Declaration; and 2) Approved Amendment to Community Park Master Plan (per the amended supplemental information presented this evening).
4. **INDOOR RECREATION CENTER PROJECT – FEBRUARY CONSTRUCTION PROGRESS REPORT**
 Action: Information Only.
5. **SALE OF A BELOW MARKET RATE (BMR) PROPERTY – 15215 MONTICELLO WAY**
 Action: 1) Authorized the City Manager to Spend \$20,000 to Repair the BMR Residence at

15215 Monticello Way; and 2) **Authorized** the City Manager to do Everything Necessary and Appropriate to Prepare and Execute the Agreements Required to Sell the Unit to an Eligible BMR Buyer in an Amount not to Exceed \$191,900 in Accordance with the BMR Program Guidelines.

6. **REQUEST FOR APPROPRIATION OF FUNDING FOR A JUNE 6, 2006 SPECIAL ELECTION; RECOGNIZE REVENUE SOURCE**
Action: 1) **Appropriated** \$76,000 to Pay for the Costs Associated with a June 6, 2006 Special Election; and 2) **Recognized** \$5,000 in Revenue from the Morris Family, Owners of the Cochrane Plaza Shopping Center.
7. **AWARD OF PROFESSIONAL SERVICES CONTRACT FOR THE DEVELOPMENT OF TRAFFIC SIGNAL TIMING INTERCONNECTION ON TENNANT AVENUE AND EAST DUNNE AVENUE**
Action: **Authorized** the City Manager to Execute a Consultant Agreement with Fehr & Peers Transportation Consultants, for the Development of Traffic Signal Timing on Tennant Avenue and East Dunne Avenue, Subject to Review and Approval by the City Attorney, for a Not-To-Exceed Fee of \$36,510.
8. **IRREVOCABLE OFFER OF DEDICATION FOR PORTION OF TRAIL DRIVE**
Action: 1) **Adopted** Resolution No. 5984, Acknowledging and Deferring Acceptance of the Offer of Street Dedication for a Portion of Trail Drive; and 2) **Directed** the City Clerk to File a Certified Copy of the Resolution in the Office of the Recorder of Santa Clara County.
9. **AWARD OF PROFESSIONAL SERVICES CONTRACT TO PREPARE PLAN LINE FOR THE SOUTHERLY EXTENSION OF BUTTERFIELD BOULEVARD**
Action: **Authorized** the City Manager to Execute a Consultant Agreement to Prepare a Plan Line for the Southerly Extension of Butterfield Boulevard with MH Engineering; Subject to Review and Approval by the City Attorney.
10. **AWARD OF PROFESSIONAL SERVICES CONTRACT TO DESIGN A PORTION OF THE WEST LITTLE LLAGAS CREEK BIKE TRAIL**
Action: 1) **Appropriated** an additional \$13,000; and 2) **Authorized** the City Manager to Execute a Consultant Agreement to Prepare Plans and Specifications for the Design of a Portion of the West Little Llagas Creek Bike Trail with Questa Engineering Corporation, Subject to Review and Approval by the City Attorney (per the amended supplemental information).
11. **FINAL MAP APPROVAL FOR PEAR TREE ESTATES (TRACT 9641)**
Action: 1) **Approved** the Final Map, Subdivision Agreement and Improvement Plans; 2) **Authorized** the City Manager to Sign the Subdivision Improvement Agreement on Behalf of the City; and 3) **Authorized** the Recordation of the Map and the Subdivision Improvement Agreement, Following Recordation of the Development Improvement Agreement.
12. **ACCEPTANCE OF PUBLIC IMPROVEMENTS FOR DEWITT-LATALA**

Action: 1) **Adopted** Resolution No. 5985, Accepting the Public Improvements for DeWitt-Latala; and 2) **Directed** the City Clerk to File a Notice of Completion with the County Recorder's Office.

13. ACCEPTANCE OF SUBDIVISION IMPROVEMENTS FOR TRACT 9478, MONTE VILLA PHASE III

Action: 1) **Adopted** Resolution No. 5986, Accepting the Subdivision Improvements Included in Tract 9478, Commonly Known as Monte Villa Phase III; and 2) **Directed** the City Clerk to File a Notice of Completion with the County Recorder's Office.

14. INDOOR RECREATION CENTER PROJECT – AUTHORIZE ADDITIONAL SERVICES FOR CONSTRUCTION CONSULTANT

Action: **Authorized** the City Manager to Execute a First Amendment to the Professional Services Agreement with Biggs Cardosa Associates in the Amount of \$30,000, for a Total Fee Not to Exceed \$115,000; Subject to Review and Approval by the City Attorney.

15. APPROVE CONSULTANT AGREEMENT FOR DESIGN OF TRUNK SEWER LINE #2 – PHASE 1

Action: **Authorized** the City Manager to Execute a Consultant Agreement with Schaaf & Wheeler for the Design of a New Trunk Sewer Line #2 – Phase 1 for a Fee not to Exceed \$232,422.

16. LOT LINE ADJUSTMENT PARCEL MAP APPROVAL FOR SUTTERHILL, LLC

Action: 1) **Approved** the Lot Line Adjustment Parcel Map, Including the Abandonment of a Water Line Easement and Sanitary Sewer Easement on the Property; and 2) **Authorized** the Recordation of the Map.

17. AWARD OF TENNANT AVENUE WIDENING PROJECT

Action: 1) **Appropriated** \$120,000 from the Current Year Un-Appropriated Traffic Impact Fee Fund Balance (309) into the Project Account (507B99); and 2) **Awarded** Contract to Wattis Construction Company, Inc. for the Construction of the Tennant Avenue Widening Project in the Amount of \$656,335; and 3) **Authorized** Expenditure of Construction Contingency Funds, Not to Exceed \$65,633.

18. NEW POSITION – SENIOR BUSINESS ASSISTANCE AND HOUSING SERVICES (BAHS) COORDINATOR

Action: 1) **Approved** the Job Description and Salary Range for a New Position of Senior BAHS Coordinator; and 2) **Adopted** Resolution No. 5987, Amending the Management, Professional and Confidential Employees Resolution No. 5872 to Include the New Position and Salary Range of Senior BAHS Coordinator.

19. RESOLUTION PROVIDING AMENDED SALARY RATES FOR RESERVE POLICE OFFICERS

Action: **Adopted** Resolution No. 5988, Amending the Temporary/Seasonal Employee Resolution No. 5892 to Change the Salary Rates for Level I Reserve Police Officer and Level II Reserve

Police Officer.

20. FOURTH AMENDMENT TO AGREEMENT WITH THE LAW FIRM OF JORGENSEN, SIEGEL, McCLURE & FLEGEL, LLP

Action: Authorized the City Manager to Execute a Fourth Amendment to Agreement with the Law Firm of Jorgenson, Siegel, McClure & Flegel, LLP; Subject to Review and Approval by the City Attorney.

21. AGREEMENTS WITH PACIFIC MUNICIPAL CONSULTANTS AND FRY'S ELECTRONICS REGARDING PREPARATION OF A SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT OR AN ADDENDUM TO THE ENVIRONMENTAL IMPACT REPORT FOR AN AMENDMENT TO A PLANNED UNIT DEVELOPMENT FOR THE AMERICAN INSTITUTE OF MATHEMATICS FACILITY

Action: Authorized the City Manager to Execute an Agreement between the City of Morgan Hill and Pacific Municipal Consultants (PMC), and an Agreement between the City of Morgan Hill and Fry's Electronics; Subject to Review and Approval by the City Attorney.

22. STATUS REPORT ON AGREEMENT WITH THE YMCA OF SANTA CLARA VALLEY FOR OPERATING THE COMMUNITY RECREATION CENTER

Action: Accepted Report.

23. AWARD OF DEPOT STREET UNDERGROUNDING UTILITIES PROJECT

Action: 1) Awarded Contract to West Valley Construction for the Construction of the Depot Street Undergrounding Utilities Project in the Amount of \$780,810, Subject to Review and Approval by the City Attorney; and 2) Authorized Expenditure of Construction Contingency Funds, Not to Exceed \$78,081.

Redevelopment Agency and City Council Action

CONSENT CALENDAR:

Executive Director/City Manager Tewes informed the Agency Board/City Council that a modification is proposed to Consent Calendar Item 26, the March 22, 2006 Minutes, as requested by Council/Agency Member Tate.

Action: On a motion by Agency/Council Member Sellers and seconded by Agency/Council Member Carr, the Agency Board/City Council, on a 3-0 vote with Agency/Council Member Tate and Chair/Mayor Kennedy absent, Approved Consent Calendar Items 24-26, as follows:

24. POLICY REGARDING CITY COUNCIL AND REDEVELOPMENT AGENCY MEETING SCHEDULE

Action: Adopted Policy.

25. **JOINT REGULAR REDEVELOPMENT AGENCY AND SPECIAL CITY COUNCIL MEETING MINUTES OF FEBRUARY 22, 2006**
Action: **Approved** as Submitted.
26. **JOINT REGULAR AND SPECIAL CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF MARCH 1, 2006**
Action: **Approved** as amended.

City Council Action

PUBLIC HEARINGS:

27. **ZONING AMENDMENT, ZAA-04-11: COCHRANE-TBI** – *Ordinance No. 1764, New Series*

Director of Community Development Molloy Previsich presented the staff report on a request for approval of a precise development plan and Planned Unit Development (PUD) guidelines for a 77,000 square foot commercial shopping center to be located at the northwest corner of Madrone Parkway and Cochrane Road. She informed the Council that on February 28, 2006, the Planning Commission voted unanimously to recommend approval of the precise development plan and the PUD guidelines. She indicated that the Planning Commission is not recommending franchise architecture, consistent with the City's normal PUD standards. It was her understanding that the applicant is supportive of the Planning Commission's recommendation. She stated that a mitigated negative declaration was adopted in 2004, at the time the general plan and zoning amendment applications were approved. The environmental consultants prepared an addendum that documents the earlier mitigated negative declaration as being adequate for taking action this evening.

Mayor Pro Tempore Grzan opened the public hearing.

Brad Krouscup, Toeniskoetter and Breeding, Inc. (TBI) Development, applicant, indicated that this is an 8 acre project fronting Cochrane Road and dates back to October 2004; the entrance to the Madrone Business Park. He stated that when the general plan was amended and a PUD was established for the development of a retail center. He stated his appreciation of the support and cooperation from planning and public works staff. This cooperation fostered the fact that this request comes before the Council with a 7-0 positive recommendation from the Planning Commission. He indicated that he has been before the Architectural Review Board twice and has received preliminary good comments and directions for the project. He stated that he intends to make this shopping center the finest retail center in south county and that they are looking forward to getting the project under way.

Council Member Sellers indicated that citizens clamor more projects they would like to see locate in Morgan Hill, but that when the City approves projects, everyone is careful and cautious about how much development comes together. Another question asked is whether the City is allowing more development

than it can absorb in light of this project, the project recently approved across the freeway, and the vacancies coming up at the existing Target location. He inquired as to the market this development would be seeking, whether the applicant was finding interest for the project, and whether individuals are receptive to locating in Morgan Hill. Are the potential retail businesses are of the caliber the City is looking for would be; the kind of retail that everyone is hoping would be attracted to Morgan Hill?

Mr. Krouscup indicated that TBI proceeded very cautiously on this project as there is a lot of retail planned for the Cochrane Road corridor. It was his belief that each project was diverse enough that TBI would be able to set itself apart from other retail centers. He informed the Council that they originally thought that they would market the project as a 76,000-77,000 square foot retail center; finding an anchor tenant of 25,000-50,000 square feet and move forward. However, there is a lot taking place on Cochrane Road. He stated that TBI made a decision eight months ago to phase this project. He said that Phase 1 is proposed to be at 28,000 square feet. The first pad to be for the expansion of South Valley National Bank. The shopping center will largely serve the business population on Cochrane Road and will have a financial feel to it, to a certain extent. He stated that TBI is talking to other financial businesses at this time as well as business support services. He said that user groups would require between 1,000-8,000 square feet of building area. This is how they are distinguishing the first phase of the project. He informed the Council that TBI is preliminary in the market. He stated that TBI wants to identify and anchor tank, the bank, as part of phase 1. It was his belief that the project would sell itself to a large extent. TBI would like to be one of the options for a grocery store at the Cochrane corridor. He felt that a grocery chain will have good options on Cochrane Road. He felt that this is what the City wants, whether it is backfilling the existing Target Store, the Browman-Dinapoli project, or Phase 2 of this project. He stated that TBI proceeded carefully so as not to put too much square footage on the market. He indicated that TBI is comfortable with the direction they are taking.

Council Member Sellers felt that the customer based options being pursued would be complimentary to the other projects and that the businesses to be attracted will be users of other facilities.

Council Member Carr noted that there were several modifications added by the Planning Commission. He inquired whether there were any concerns with the modifications by the developer.

Mr. Krouscup indicated that the modifications were worked out. He said that there was a discussion regarding franchise architecture. He said that when you discuss this terminology, it almost degrades the project. He informed the Council that he wanted to leave franchise architecture as an option so long as the project had to return to the City for review as a restaurant may wish to use a franchise element that would be great and compatible with the architecture. However, after the discussion with the Planning Commission, he is comfortable with the decisions made and compromises made.

No further comments being offered, the public hearing was closed.

Council Member Sellers said that there are always concerns when you are building multiple projects when they came on line together; including changes taking place at Cochrane Plaza. There was concern, initially, that the City would be in a position where it would be saturated the market. He noted that Mr. Krouscup mentioned that the City does not want everyone to be 40% successful, but that everyone needs

to be 100% successful. He stated that he was encouraged by the comments presented this evening in terms of the proposed phasing of the project and in the kinds of businesses to be attracted. He felt that business would be attracted to locate in the center to make it a viable center, but would be complimentary to what the City is doing in this quadrant.

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 3-0 vote with Council Member Tate and Mayor Kennedy absent, **Approved** the Addendum to the Mitigated Negative Declaration.*

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 3-0 vote with Council Member Tate and Mayor Kennedy absent, **Waived** the Reading in Full of Ordinance No. 1764, New Series.*

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council **Introduced** Ordinance No. 1764, New Series, by Title Only, as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A PRECISE DEVELOPMENT PLAN AND PUD GUIDELINES FOR A PLANNED UNIT DEVELOPMENT LOCATED AT THE NORTHWEST CORNER OF COCHRANE ROAD AND MADRONE PARKWAY (APN 726-33-028) (ZAA-04-11: COCHRANE-TBI)**, by the following roll call vote: AYES: Carr, Grzan, Sellers; NOES: None; ABSTAIN: None; ABSENT: Kennedy, Tate.*

28. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ANNUAL ALLOCATION (FY 2006-2007) – Resolution No. 5989

Director of Business Assistance and Housing Services Toy presented the staff report, informing the Council that there is \$38,611 available for public service activities, \$85,000+ for none public service and/or capital projects, and up to \$15,000 for administration; for a total of approximately \$139,070 in CDBG funds. This amount is a slight decrease from last year's \$156,000 CDBG funds and that these funds were supplemented by \$71,000 in other funds to augment activities. He stated that 15 proposals were received requesting CDBG funds. He indicated that 13 requests were for CDBG funds totaling approximately \$139,000. Of the 13 requests, 2 proposals are new and 2 proposals are for none public service funds. He stated that staff is recommending that the City continue with its policy of augmenting CDBG funds with 20% housing set aside funds (\$57,500); housing mitigation funds (\$15,000) and senior housing trust funds (\$13,100). Staff further recommends that funds be appropriated through the budget approval process, and that the City maintain the same funding level as was done in the Fiscal Year 2005-06 to the different recipients. He addressed the individual requests received and the recommended funding levels/none funding support.

Council Member Sellers noted that staff mentioned that the Rebuilding Home Repair Days project, a new applicant, appears to be duplicating a City program. He inquired whether there was an opportunity for this agency to partner with the City or to partner with the senior citizens who might be taking advantage of the grants to make the dollars/resources stretch further.

Mr. Toy felt there were opportunities to partner. It was his understanding that there are approximately 1 or 2 households that receive City grants and that this agency provides additional services to senior citizens; supplementing the City's contribution.

Mayor Pro Tempore Grzan opened the public hearing.

Martin Eichner, Director of Mediation and Counseling Programs for Project Sentinel, stated his support of staff's recommendation for continued funding in support of the local program for another year. He indicated that Project Sentinel has substantially exceeded its contract goals; doubling the number of cases their contract called for. They also handled phone calls approximately 35% above the contract goal. Further, they offered supplemental services through their other funding sources such as HUD that benefits the City. He stated that Project Sentinel offers several levels of services. They answer calls and offer counseling on the rights/responsibilities of landlords and tenants. He indicated that a fair number of landlords use their services. They offer workshops on tenant rights and landowners responsibility in order to avoid disputes and misunderstanding.

Perla Flores informed the Council that she oversees domestic violence and sexual assault services for Community Solutions. She requested \$16,000 in continued support in order to provide emergency housing, food, transportation, counseling and supportive services to victims of domestic violence for La Isla Pacifica, the battered women's shelter. She provided the Council with information and statistics regarding domestic violence nationally and locally throughout the County.

Lori Escobar, Educational and Recreational Services Program Director for Community Solutions, thanked the Council for all the support given to the El Toro Youth Center over the years. She indicated that a group of young individuals have organized the El Toro Youth Center Cesar Chavez Leadership Group. These youth will be hosting a conference on April 29 that will include a variety of workshops covering health issues, as well as targeting low income Latino youth toward a college direction. She indicated that she and the youth are looking forward to having Council members attend the conference or be a part of the conference.

Mayor Kennedy entered and was seated.

Eloisa Gamez, Director for the South County Day Worker Center, stated her appreciation for funding granted in the past and stated that she would appreciate the same level of funding again this year. She indicated that the Day Worker Center offers ESL and nutrition classes. She indicated that other agencies have provided information on services provided in the community, including health services, registering youths for schools and serves, presentations on citizenships and immigration services, etc.

Martha Bell, South County Branch Manager, Silicon Valley Independent Living Center, informed the Council that the Center was established in 1976. This agency is unique as it offers several different programs to the disabled and the elderly, particularly housing assistance and personal assistance to the disabled. Funding is needed for the opening of a satellite office at Jasmine Square, offering services 1-2 days per week. She stated that the clientele from Morgan Hill rose last year. With the satellite office, she anticipates being able to provide better service to clients residing in Morgan Hill.

Council Member Sellers stated that he was encouraged to hear that a satellite office will be opened in Morgan Hill. He said that it is difficult for the Council to get too far away from staff's funding recommendation with the meager funds available. However, the City would monitor the program to see if additional funding can be found as the case load increases.

Cindy McCoun, Second Harvest Foodbank, Operation Brown Bag Program, informed the Council that this agency has been serving the community in a variety of ways for some time. The agency is requesting funding for the Operation Brown Bag Program that targets low income seniors. They propose to provide ongoing weekly distribution of groceries to 89 senior citizen households. She addressed the other services provided by this agency. She noted that this is a self help program. She thanked the City Council for its ongoing support and for considering their proposal this evening. She invited Council members to stop by on Thursday mornings to help bag food or to talk with senior citizens.

Marlene Siebert, Catholic Charities, spoke on behalf of the Long Term Care Ombudsman Program and the Shared Housing Project - Depot Commons. She indicated that she is a state certified long term care ombudsman and a staff member with Catholic Charities. She stated her support of the recommended funding in the amount of \$4,500 from the Senior Trust fund. She indicated that the Long Term Care Ombudsman Program advocates for residents that live in long term care facilities. She addressed the Depot Commons project, reading a prepared statement from Rosie Statt, Catholic Charities, regarding improvements made to Depot Commons, and provided an update on some of the tenants.

Barry Del Buono addressed the shelter to be built south of San Martin. He said that he understands there is not enough money this year to go around. He indicated that this is a \$7 million project with \$4 million coming from grants and \$3 million from Home Aid (home builders' foundation). He stated that there will be enough money available during the course of construction. However, he will continue to return requesting funding assistance as there are some items that need to be paid off at the tail end of construction. He informed the Council John Sobrato has guaranteed the project, and has floated no interest loans during the course of construction. It is his hope that staff will keep this project on the back burner.

Kevin Heuer, Rebuilding Together Silicon Valley, informed the Council that this organization provides free home repairs to low income elderly and disabled home owners. He informed the Council that this organization has been active in Morgan Hill for a number of years; usually completing repairs for low income Morgan Hill senior citizens at 1 or 2 per year. He is requesting \$5,000 in order to purchase building materials. He indicated that every dollar received will go directly toward a home of a needy senior; avoiding labor and overhead costs. This model and donated materials allows for leveraging \$6 in repair for every \$1 donated. He understood the concern that this program may be a duplication of services already offered by the City's Mobile Home Repair Grant program. He said that almost all residents in Morgan Hill who they assist over the past three years have been recipients of the City's Mobile Home Repair Grant Program. He does not believe this program duplicates city services, but provides additional assistance to low income seniors who have serious repair issues and are not eligible for a City grant or able to repay a low interest loan. This organization collaborates with City staff to supplement additional safety repairs needed at the homes of past grant recipients.

No further comments being offered, the public hearing was closed.

Mayor Kennedy inquired whether RDA Housing Funds were available for this particular request.

Mr. Toy responded that RDA Housing Funds are available should the Council chose to fund this activity (RDA low-moderate funds).

Council Members Sellers noted that Mr. Heuer indicated that funds would be used primarily for material. Therefore, there may be some RDA funds available for this activity.

Mayor Kennedy felt there may be some gaps in coverage as identified by Mr. Heuer. He recommended the City help fill this gap by supporting this program. He recommended an initial \$1,500 grant from the RDA Housing funds.

Mayor Pro Tempore Grzan stated that he would support Mayor Kennedy's recommendation, should RDA funds be available to fund this activity.

Council Member Carr said that it appears that partnering is occurring as Mr. Heuer is in contact with City staff. He indicated that these funding opportunities are not growing; but dwindling each year. Therefore, the City is supplementing programs with other City/RDA resources. As the City starts to fund new applications, the Council needs to keep in mind that the City may not have as much funding available next year. The City is hearing that the federal administration would like to eliminate most of these grant dollars. He did not believe that these resources will get any better in the future.

Council Member Sellers recommended that staff be directed to work with the Rebuilding Together Silicon Valley group toward a not to exceed \$2,500 grant. Although there are a small number of individuals who have been helped in Morgan Hill, he did not believe that the gap is insignificant. He recommended that staff return to the City Council at a subsequent meeting with a recommendation for funding.

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 4-0 vote with Council Member Tate absent: 1) **Adopted** Resolution No. 5089 for Appropriation of Fiscal Year 2006-2007 CDBG Funds; and 2) Directed staff to work with the Rebuilding Together, Silicon Valley group to consider a not to exceed \$2,500 grant. Staff to return to the Council/Agency Board with a recommendation at a subsequent meeting.*

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 4-0 vote with Council Member Tate absent, **Authorized** the City Manager to do Everything Necessary for the Implementation of the CDBG Program, Including Execution of all Required Contracts.*

City Council Action

OTHER BUSINESS:

29. COMMUNITY PARK IMPROVEMENTS PHASE 1 – APPROVE PARKS AND RECREATION COMMISSION RECOMMENDATION FOR ADDITIONAL FUNDING

Deputy Director of Public Works Struve presented the staff report, indicating that the project is at 35% design completion and faces a challenge in that the estimate for cost of construction is estimated to be \$868,000 greater than the funding available for the project. He informed the Council that the available funding for the construction of the project is \$950,000. The significant shortfall is attributed to the following: 1) when the initial project cost estimate was developed, staff did not have the benefit of an accurate survey or topographical information for this park. The information staff had was not current and was not sufficient. This resulted in significant greater costs and needs for retaining walls and grading of the project. 2) There was a greater than anticipated need for pavement repair (hardscape improvements all around the park). 3) There were unforeseen structural problems with the existing restroom building. 4) Increased some costs to maximize the cost recovery potential for the group picnic areas and the restroom/concession building in order to have more reservable park space that costs could be recovered. 5) The project architect admits to \$50,000 of under estimated costs. 6) Construction costs have increased significantly since the City developed the original cost estimates. He informed the Council that staff presented two options to the Parks & Recreation Commission in order to address the funding challenge: 1) reduce the scope of work significantly in the project. This option would require drastically reducing the improvements to project; rehabilitating the existing four tennis courts, adding drainage improvements and new resurfacing, building four new tennis courts, and the construction of a new restroom building. 2) A combination of delaying some of the construction items, bidding some as alternates, and additional funding from two sources: the parks maintenance fund and the park development impact fee fund for a combined additional funding of \$634,000. He indicated that a delay and creating some of the items as bid alternates would save \$233,000. He said that the use of park development impact funds could be done by delaying the acquisition of additional park space that is included in the capital improvement program this fiscal year until next fiscal year. He informed the Council that the Parks & Recreation Commission recommends that the City delay construction of some of the items, bidding some of the alternates and providing additional funding for the project.

Council Member Sellers said that it is disturbing to hear that the project architect did not anticipate the drainage and topography costs. He inquired why the City did not know the topography going into the project. In terms of the architect, he inquired whether there are any opportunities to recover any of the costs or was there any liability on the part of the architect as the City was relying on their professional services?

Mr. Struve indicated that staff did not have enough information, grading-wise, to anticipate the cost that ended up being significant. He said that it would have been possible to develop this information at the time of developing the first cost estimate for the project. The question was how far the City goes at this stage to try to create an accurate cost. Does the City spend money or estimate to the extent possible what the project costs will be? If so, the City would need to develop further what the estimated costs would be as staff begins the design. He said that the City could have proceeded with a topographical

survey before proceeding with the cost estimates. However, staff did not do so. He said that staff could pursue the ability of recovering costs with the project architect as he admitted that he underestimated the project by approximately \$50,000.

Mayor Kennedy opened the floor to public comment. No comments were offered.

Council Member Sellers noted that one of the recommended delayed costs is the fence along the baseball fields. He stated that having played enough ball games at the park, he inquired whether there was a significant safety issue associated with the fence and whether this improvement needs to be moved to the sooner rather than later list as he would not want to see individuals hit by a ball.

Mr. Struve said that there are two things that staff will do in order to try and protect those who would be in the way of foul balls: 1) extend the top of the backstop out to third base, and 2) continue to extend the height of the fence beyond the third base point. He felt that staff has taken reasonable safety measures, but that the City could go further.

Council Member Sellers was pleased to hear that the project will provide some safety measures and further safety measures will be enhanced down the road.

Mayor Kennedy recommended that the delayed costs be prioritized. He felt that the baseball fencing would be of high priority.

Mr. Struve indicated that he would agree to place the items to be deferred in a priority order and apply a value to each one.

Council Member Carr noted that Phase 1 construction would be completed in February or March 2007 and that the new Indoor Recreation Center would be opened at this time as well. He stated that a basketball court would be included as part of the indoor recreation center. Therefore, the outdoor basketball court would not be as urgent a project as some of the other items the city does not currently provide or are lacking. He inquired whether staff conducted an inventory of services already being offered as part of the indoor recreation center.

Mr. Struve informed the Council that the basketball court is not part of the funding and that he has sought a separate grant for this item. Therefore, there is not an opportunity to save any money.

Mayor Pro Tempore Grzan inquired what percentage/amount of funding has been set aside for 2006 for park acquisition.

Mr. Struve indicated that the Parks & Recreation Commission workplan item calls for the acquisition of an additional neighborhood park adjacent to a school, preferably, at approximately 5-acres in size for FY 2005-06. He indicated that the money set aside for this purpose is \$1.8 million. If acquisition purchase is delayed by one year, there would be sufficient funding in the Park Development Fund to redirect this money.

City Manager Tewes informed the Council that staff is recommending that the City Council appropriate from the unappropriated balance to complete the Community Park Improvement Project and delay the other projects, including the acquisitions of additional park land. The source of funding from this fund is park development impact fees paid by new development. He informed the Council that every year, the City receives approximately \$800,000 in revenue for this fund.

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 4-0 vote with Council Member Tate absent, 1) **Approved** alternative 2 (the Parks and Recreation Commission's Recommendation to Allocate Additional Funding of \$220,000 from the Unappropriated Park Maintenance Fund Balance, and \$414,300 from the Unappropriated Park Development Impact Fee Fund Balance to the Project to Complete the Phase 1 Improvements Consistent with the Community Park Master Plan.) 2) **Directed** staff to investigate whether the City has any legal recourse, legal, or otherwise against the Design Architect due to the underestimation of the general need for drainage improvements.*

30. OUTSIDE AGENCY ASSIGNMENTS

Council Services & Records Manager Torrez presented the staff report; indicating that on February 15, 2006, the city Council reviewed its outside agency assignments, aligning the assignments with the five standing Council committees. She stated that there were some assignments that needed clarification: 1) League of California Cities Peninsula Division. She indicated that the primary and alternate assignments were deferred until the Financial Policy Committee decided who would be serving as the primary and alternate members. It was her understanding that the Committee decided that Council Member Tate will serve as the primary member and Mayor Pro Tempore Grzan will serve as alternate to the Peninsula Division. 2) Santa Clara County Cities Association – City Selection Committee. At the February 15 meeting, there was a question whether an alternate member should be appointed to this committee. She informed the Council that staff contacted Joann Benjamin with the Santa Clara County Cities Association. She indicated that the Association is recommending that the Council appoint an alternate member to this committee.

Council Member Sellers felt that it made sense for him to serve as the alternate to the City Selection Committee to be consistent with the regional subcommittee.

Mayor Pro Tempore Grzan recommended that the Santa Clara County Conservation Habitat be added to the Outside Agency Assignment list; listing Mayor Kennedy as primary member and Mayor Pro Tempore Grzan as alternate member and Kathy Molloy Previsich staff liaison.

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 4-0 vote with Council Member Tate absent, **Ratified** the Mayor's appointments to Outside Agencies as follows: League of California Cities Liaison – Peninsula Division: Tate (primary), Grzan (alternate); and Santa Clara County Cities Association – City Selection Committee: Kennedy (primary), Sellers (alternate); and*

added the Santa Clara County Conservation Habitat to the Assignments to Governmental Committees and Outside Agencies List.

Action: *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 4-0 vote with Council Member Tate absent, **Directed** the City Clerk to Notify the Appropriate Agencies of Remaining Assignments.*

FUTURE COUNCIL-INITIATED AGENDA ITEMS

No items were identified.

Redevelopment Agency and City Council Action

CLOSED SESSIONS:

Agency Counsel/City Attorney Kern announced the below listed closed session items:

1.

CONFERENCE WITH LABOR NEGOTIATOR:

Authority: Government Code Section 54957.6

Agency Negotiators: City Manager; Human Resources Director

Employee Organizations: Morgan Hill Police Officers Association
Employees Covered under Management Resolution #5872, as amended

OPPORTUNITY FOR PUBLIC COMMENT

Chairman/Mayor Kennedy opened the Closed Session items to public comment. No comment being offered, the public comment was closed.

ADJOURN TO CLOSED SESSION

Chairman/Mayor adjourned the meeting to Closed Session at 8:35 p.m.

RECONVENE

Chairman/Mayor reconvened the meeting at 9:24 p.m.

CLOSED SESSION ANNOUNCEMENT

Chairman/Mayor Kennedy announced that no reportable action was taken in closed session.

ADJOURNMENT

There being no further business, Chairman/Mayor Kennedy adjourned the meeting at 9:25 p.m.

MINUTES RECORDED AND PREPARED BY:

IRMA TORREZ, AGENCY SECRETARY/CITY CLERK



CITY COUNCIL STAFF REPORT

MEETING DATE: April 5, 2006

DEVELOPMENT AGREEMENT AMENDMENT APPLICATION DA 03-13 AND DA 05-01: MISSION VIEW DR.-MISSION RANCH

RECOMMENDED ACTION(S):

1. Open/close Public Hearing
2. Waive the First and Second Reading of Ordinance
3. Introduce Ordinance amending DA-03-13
4. Waive the First and Second Reading of Ordinance
5. Introduce Ordinance amending DA-05-01

EXECUTIVE SUMMARY:

A request to amend previously approved development agreements for the Phases 7, 8, 9a, 9b, 10 & 11 of the Mission Ranch project located on the southeast corner of the intersection of Cochrane Rd. and Mission View Dr. The proposed amendments would incorporate 5 building allocations awarded to the Mission Ranch project as part of the redistribution of the allocations once awarded to Micro application MMP 03-09.

In November 2005 the Planning Commission rescinded five building allocation awarded to application MMP-03-09: West Main-Vierra. The Commission awarded one residential building allotment to application MP-02-15: Mission – Mission Ranch and four residential building allotments to MC-04-26: Mission – Mission Ranch.

Development Agreement DA 03-13 covers the allocations awarded to MP 02-15 and Development Agreement DA 05-01 covers the allocations award to MP 04-26. To incorporate the reassigned allocations into the Mission Ranch project the two existing development agreement must be amended. Specifically, exhibit B of each agreement must be amended to incorporate the reassigned allocations. Revised exhibit B's have been prepared for each of the affected development agreement and are attached to the ordinance.

Correction of an error within paragraph 14, subsection p (v) (page 10) of DA 05-01 is also recommended. The proposed amendment would change the per unit public improvement expenditure from \$3,300 to \$5,500, consistent with the project's RDCS commitments. A copy of the proposed revision is also attached to the ordinance.

The proposed development agreement amendments were reviewed by the Planning Commission at their March 14 meeting, at which time the Commission voted 7-0 to recommend approval of the proposed development agreement as prepared. The Planning Commission staff report and minutes are attached for Council's reference.

FISCAL IMPACT:

No budget adjustment required.

Agenda Item #16

Prepared By:

Senior Planner

Approved By:

**Community
Development Director
Submitted By:**

City Manager

ORDINANCE NO. , NEW SERIES

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING AN AMENDMENT TO ORDINANCE NO. 1658, NEW SERIES, TO AMEND DEVELOPMENT AGREEMENT DA-03-13 FOR APPLICATION MP 02-15: MISSION VIEW-MISSION RANCH TO ALLOW FOR THE INCORPORATION OF ONE ADDITIONAL ALLOCATION FOR FISCAL YEAR 2005-2006 (APN 728-32-008 & 009). DA-03-13: Mission View-Mission Ranch

THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council has adopted Resolution No. 4028 establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System, Title 18, Chapter 18.78 of the Municipal Code.

SECTION 2. The California Government Code Sections 65864 thru 65869.5 authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property.

SECTION 3. The Planning Commission, on November 29, 2005, pursuant to Resolution 05-73, awarded 1 building allotment for application MP 02-15: Mission View Dr.-Mission Ranch and four building allotments for fiscal year 2006-07 to application MP 04-26: Mission View Dr.-Mission Ranch; and

SECTION 4. The City Council hereby finds that the development agreement amendment approved by this ordinance is compatible with the goals, objectives, policies, and land uses designated by the General Plan of the City of Morgan Hill.

SECTION 5. The City Council hereby finds that the development agreement amendment is necessary to incorporate the one additional building allocations awarded to the project after the adoption of the original development agreement under ordinance 1658.

SECTION 6. Severability. If any part of this Ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or the applicability of this Ordinance to other situations.

SECTION 7. Effective Date Publication. This ordinance shall take effect from and after thirty (30) days after the date of its adoption. The City Clerk is hereby directed to publish this ordinance pursuant to §36933 of the Government Code.

SECTION 8. References are hereby made to certain Agreements on file in the office of the City Clerk of the City of Morgan Hill. These documents to be signed by the City of Morgan Hill and the property owner set forth in detail and development schedule, the types of homes, and the specific restrictions on the development of the subject property. Said Agreement herein above referred to shall be binding on all future owners and developers as well as the present owners of the lands, and any substantial change can be made only after further public hearings before the Planning Commission and the City Council of this City. The amended agreement shall replace the development agreement approved under Ordinance No 1658.

The foregoing ordinance was introduced at the regular meeting of the City Council of the City of Morgan Hill held on the ____ Day of April 2006, and was finally adopted at a regular meeting of said Council on the ____ Day of April 2006, and said ordinance was duly passed and adopted in accordance with law by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

ATTEST:

APPROVED:

Irma Torrez, City Clerk

Dennis Kennedy, Mayor

∞ CERTIFICATE OF THE CITY CLERK ∞

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Ordinance No. _____, New Series, adopted by the City Council of the City of Morgan Hill, California at their regular meeting held on the ____ Day of April 2006.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

IRMA TORREZ, City Clerk

AMENDED DEVELOPMENT SCHEDULE FOR MP 02-15
EXHIBIT "B"

DEVELOPMENT SCHEDULE MP-02-15: Mission View-Mission Ranch
FY 2004-05, 21 allocations. FY 2005-06, 27 28 allocations. FY 2006-07, 12 allocations

I. SUBDIVISION AND ZONING APPLICATIONS	
Applications Filed:	11-12-03
II. SITE REVIEW APPLICATION	
Application Filed:	03-31-04
III. FINAL MAP SUBMITTAL	
Map, Improvements Agreement and Bonds:	04-30-04
IV. BUILDING PERMIT SUBMITTAL	
Submit plans to Building Division for plan check:	
FY 2004-05 (21 units)	06-30-04
FY 2005-06 (27 28 units)	06-30-05
FY 2006-07 (12 units)	06-30-06
V. BUILDING PERMITS	
Obtain Building Permits:	
FY 2004-05 (11 units)	11-30-04
FY 2004-05 (10 units)	01-30-05
FY 2005-06 (27 28 units)	09-30-05
FY 2006-07 (12 units)	09-30-06
Commence Construction:	
FY 2004-05 (21 units)	06-30-05
FY 2005-06 (27 28 units)	06-30-06
FY 2006-07 (12 units)	06-30-07

Failure to obtain building permits and commence construction by the dates listed above shall result in the loss of building allocations. Submitting a Final Map Application or a Building Permit six (6) or more months beyond the filing dates listed above shall result in the applicant being charged a processing fee equal to double the building permit plan check fee and/or double the map checking fee to recoup the additional costs incurred in processing the applications within the required time limits. Additionally, failure to meet the Final Map Submittal and Building Permit Submittal deadlines listed above may result in loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 30 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.

ORDINANCE NO. , NEW SERIES

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING AN AMENDMENT TO ORDINANCE NO. 1726, NEW SERIES, TO AMEND DEVELOPMENT AGREEMENT DA-05-01 FOR APPLICATION MP 04-26: MISSION VIEW-MISSION RANCH TO ALLOW FOR THE INCORPORATION OF FOUR ADDITIONAL ALLOCATIONS FOR FISCAL 2006-07 AND AMENDMENT TO PARAGRAPH 14 MODIFYING THE PER UNIT PUBLIC IMPROVEMENT COMMITMENT. (APN 728-32-008 & 009) DAA-05-01: Mission Ranch

THE CITY COUNCIL OF THE CITY OF MORGAN HILL DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. The City Council has adopted Resolution No. 4028 establishing a procedure for processing Development Agreements for projects receiving allotments through the Residential Development Control System, Title 18, Chapter 18.78 of the Municipal Code.

SECTION 2. The California Government Code Sections 65864 thru 65869.5 authorizes the City of Morgan Hill to enter into binding Development Agreements with persons having legal or equitable interests in real property for the development of such property.

SECTION 3. The Planning Commission, on November 29, 2005, pursuant to Resolution 05-73, awarded four building allotments for fiscal year 2006-07 to application MP 04-26: Mission View Dr.- Mission Ranch; and

SECTION 4. The City Council hereby finds that the development agreement amendment approved by this ordinance is compatible with the goals, objectives, policies, and land uses designated by the General Plan of the City of Morgan Hill.

SECTION 5. The City Council hereby finds that the development agreement amendment is necessary to incorporate four additional building allocations awarded to the project and correct the per unit amount committed for public improvements after the adoption of the original development agreement under ordinance 1726.

SECTION 6. Severability. If any part of this Ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or the applicability of this Ordinance to other situations.

SECTION 7. Effective Date Publication. This ordinance shall take effect from and after thirty (30) days after the date of its adoption. The City Clerk is hereby directed to publish this ordinance pursuant to §36933 of the Government Code.

SECTION 8. References are hereby made to certain Agreements on file in the office of the City Clerk of the City of Morgan Hill. These documents to be signed by the City of Morgan Hill and the property owner set forth in detail and development schedule, the types of homes, and the specific restrictions on the development of the subject property. Said Agreement herein above referred to shall be binding on all future owners and developers as well as the present owners of the lands, and any substantial change can be made only after further public hearings before the Planning Commission and the City Council of this City. The amended agreement shall replace the development agreement approved under Ordinance No 1726.

The foregoing ordinance was introduced at the regular meeting of the City Council of the City of Morgan Hill held on the ____ Day of April 2006, and was finally adopted at a regular meeting of said Council on the ____ Day of April 2006, and said ordinance was duly passed and adopted in accordance with law by the following vote:

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

ATTEST:

APPROVED:

Irma Torrez, City Clerk

Dennis Kennedy, Mayor

∞ CERTIFICATE OF THE CITY CLERK ∞

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Ordinance No. _____, New Series, adopted by the City Council of the City of Morgan Hill, California at their regular meeting held on the ____ Day of April 2006.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

IRMA TORREZ, City Clerk

AMENDED DEVELOPMENT SCHEDULE FOR MP 04-26
EXHIBIT "B"
DEVELOPMENT SCHEDULE MP-04-26: Cochrane-Mission Ranch
FY 2006-07 ~~18~~ 22 allocations/FY 2007-08 15 allocations/FY 2008-09 15 allocations

I.	SUBDIVISION APPLICATION	
	Application Filed:	3-25-05
II.	SITE REVIEW APPLICATION	
	Application Filed:	07-30-05
III.	FINAL MAP SUBMITTAL	
	Map, Improvements Agreement and Bonds:	
	FY 2006-07 (18 22 units)	07-30-06
	FY 2007-08 (15 units)	07-30-07
	FY 2008-09 (15 units)	07-30-08
IV.	BUILDING PERMIT SUBMITTAL	
	Submit plans to Building Division for plan check:	
	FY 2006-07 (18 22 units)	08-15-06
	FY 2007-08 (15 units)	08-15-07
	FY 2008-09 (15 units)	08-15-08
V.	BUILDING PERMITS	
	Obtain Building Permits:	
	FY 2006-07 (18 22 units)	09-30-06
	FY 2007-08 (15 units)	09-30-07
	FY 2008-09 (15 units)	09-30-08
	Commence Construction:	
	FY 2006-07 (18 22 units)	06-30-07
	FY 2007-08 (15 units)	06-30-08
	FY 2008-09 (15 units)	06-30-09

Failure to obtain building permits and commence construction by the dates listed above, shall result in the loss of building allocations. Submitting a Final Map Application or a Building Permit six (6) or more months beyond the filing dates listed above shall result in the applicant being charged a processing fee equal to double the building permit plan check fee and/or double the map checking fee to recoup the additional costs incurred in processing the applications within the required time limits. Additionally, failure to meet the Final Map Submittal and Building Permit Submittal deadlines listed above may result in loss of building allocations. In such event, the property owner must re-apply under the development allotment process outlined in Section 18.78.090 of the Municipal Code if development is still desired.

An exception to the loss of allocation may be granted by the City Council if the cause for the lack of commencement was the City's failure to grant a building permit for the project due to an emergency situation as defined in Section 18.78.140 or extended delays in environmental reviews, permit delays not the result of developer inactions, or allocation appeals processing.

If a portion of the project has been completed (physical commencement on at least 24 dwelling units and lot improvements have been installed according to the plans and specifications), the property owner may submit an application for reallocation of allotments. Distribution of new building allocations for partially completed project shall be subject to the policies and procedures in place at the time the reallocation is requested.



CITY COUNCIL STAFF REPORT

MEETING DATE: April 5, 2006

VACATION OF A PORTION OF TAYLOR AVENUE

RECOMMENDED ACTION(S):

1. Open/Close the Public Hearing.
2. Adopt the attached Resolution vacating a portion of Taylor Avenue.
3. Authorize City Manager to sign Quitclaim Deeds on behalf of the City, and direct the City Clerk to file copies of the Quitclaim Deeds in the Office of the Recorder of Santa Clara County.
4. Direct the City Clerk to file a certified copy of the Resolution in the Office of the Recorder of Santa Clara County.

EXECUTIVE SUMMARY: On February 5th, 2003, the City Council accepted public improvements for Madrone Business Park. Part of those public improvements included modification of the most southerly end of Taylor Avenue from a dead end stub to a standard city cul-de-sac, which resulted in the permanent removal of approximately 88 lineal feet of the street pavement and sidewalk beyond the end of the new cul-de-sac. Since the completion of the public improvements in early 2003, the most southerly portion of Taylor Avenue's right-of-way has remained undeveloped, and there are no future plans to use this right-of-way for street and sidewalk purposes.

Staff has determined that all concerned issues related to the current cul-de-sac configuration of the southerly end of Taylor Avenue have already been addressed through the plan development process and approval of the Madrone Business Park public improvements. Staff is requesting vacation of said area of Taylor Avenue and reserving a storm drain easement over the easterly half of the vacated area for the maintenance of a city storm drain line.

On February 15th 2006, the City Council passed and adopted Resolution No.5973 declaring its intention to vacate a portion of Taylor Avenue.

The property has been posted in accordance with the Streets and Highways Code and set this time and place for a public hearing. To date, staff has not heard from any member of the public or any utility company opposing the proposed vacation.

In order to avoid the construction of unnecessary public improvements and to minimize public safety concerns, Public Works recommends the adoption of the attached resolution to vacate a portion of Taylor Avenue.

FISCAL/RESOURCE IMPACT: Processing fees have been paid by the applicant.

Agenda Item # 17

Prepared By:

Assistant Engineer

Approved By:

Public Works Director

Submitted By:

City Manager

RECORDING REQUESTED BY AND WHEN

RECORDED MAIL DOCUMENT TO:

CITY OF MORGAN HILL
17555 PEAK AVENUE
MORGAN HILL, CA 95037

RECORD AT NO FEE PURSUANT TO
GOVERNMENT CODE SECTION 27383

THE AREA ABOVE IS RESERVED FOR RECORDER'S USE

RESOLUTION NO._____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MORGAN HILL DECLARING ITS VACATION OF A PORTION
OF TAYLOR AVENUE**

WHEREAS, the Director of Public Works of the City of Morgan Hill has recommended that the hereinafter described property presently held for public purposes is unnecessary for present or prospective municipal purposes; and

WHEREAS, the City Council has previously declared its intention to vacate a portion of Taylor Avenue; and

WHEREAS, the City Council has held a public hearing on the vacation of the portion of Taylor Avenue on April 5th 2006, in which all persons interested in or objecting to the proposed vacation were heard; and

WHEREAS, the City Council of the City of Morgan Hill has determined, from all the evidence submitted, that the hereinafter described portion of Taylor Avenue is no longer necessary for present or prospective public use.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Morgan Hill that:

SECTION 1: The City Council of the City of Morgan Hill hereby finds from all evidence submitted that the land described in:

Vacation of right-of-way to George Merlano:

Exhibit "A": Legal Description for Vacation of Right-of-Way from City of Morgan Hill to George Merlano, a Married Man, and His Sole and Separate Property;

Exhibit "B": Plat to Accompany Legal Description for Vacation of Right-of-Way from City of Morgan Hill to Lands of George Merlano;

Vacation of right-of-way to Investment Enterprises:

Exhibit "A": Legal Description for Vacation of Right-of-Way from City of Morgan Hill to Investment Enterprises, a Co-Partnership;

Exhibit "B": Plat to Accompany Legal Description for Vacation of Right-of-Way from City of Morgan Hill to Lands of Investment Enterprises;
is unnecessary for present or prospective public street purposes, and hereby orders the vacation of said portion of public street in accordance with the provision of Streets and Highways Code Part 3, Chapter 3, Section 8320, et. seq.

SECTION 2: From and after the date this Resolution is recorded the portion of the public street described here as vacated will no longer constitute a public street. A 20 feet wide public storm drain easement, as described and recorded in the County of Santa Clara Document 16410851, shall be reserved over the easterly half of the vacated area for the maintenance of a City Storm Drain line.

SECTION 3: The City Manager is hereby authorized to sign the following Quitclaim Deeds on behalf of the City:

City of Morgan Hill Quitclaim to George Merlano (APN 726-36-61) and
City of Morgan Hill Quitclaim to Investment Enterprises (APN 726-36-059).

The City Clerk is hereby directed to cause copies of the said Quitclaim Deeds to be notarized and recorded in the Office of the Recorder of Santa Clara County. No fees shall be charged for recordation.

SECTION 4: The City Clerk is hereby directed to cause a certified copy of this Resolution of Vacation, attested by said Clerk under seal, to be recorded without acknowledgment, certificate of acknowledgment or further proof in the Office of the Recorder of Santa Clara County. No fees shall be charged for recordation.

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the 5th Day of April, 2006 by the following vote.

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

🔒 CERTIFICATION 🔒

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA,
do hereby certify that the foregoing is a true and correct copy of Resolution No. , adopted by the City Council at a Regular Meeting held on April 5, 2006.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

IRMA TORREZ, City Clerk

EXHIBIT "A"

**LEGAL DESCRIPTION FOR VACATION OF RIGHT-OF-WAY
FROM CITY OF MORGAN HILL TO
GEORGE MERLANO, AN UNMARRIED MAN, AND HIS SOLE AND SEPARATE PROPERTY**

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF MORGAN HILL, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING A PORTION OF TAYLOR AVENUE (60 FEET WIDE) AS SHOWN ON THAT CERTAIN MAP ENTITLED, "PEEBLES TRACT", RECORDED MAY 13, 1887, IN BOOK "B" OF MAPS AT PAGE 63, SANTA CLARA COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY CORNER OF LOT 45, AS SAID PARCEL IS SHOWN ON THE "PEEBLES TRACT";

THENCE ALONG THE NORTHEASTERLY RIGHT-OF-WAY LINE OF TAYLOR AVENUE AND THE SOUTHWESTERLY LINE OF LOT 45, SOUTH 39°36'52" EAST, 73.16 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG THE NORTHEASTERLY RIGHT-OF-WAY LINE OF TAYLOR AVENUE SOUTH 39°36'52" EAST, 73.44 FEET TO THE SOUTHERLY LINE OF THE PEEBLES TRACT;

THENCE ALONG SAID SOUTHERLY LINE SOUTH 50°54'16" WEST, 30.00 FEET TO THE CENTERLINE OF TAYLOR AVENUE;

THENCE ALONG SAID CENTERLINE NORTH 39°36'52" WEST, 66.98 FEET;

THENCE ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, CONCAVE TO THE NORTHWEST, WHOSE RADIAL BEARS NORTH 30°08'04" WEST, HAVING A RADIUS OF 42.50 FEET, THROUGH A CENTRAL ANGLE OF 42°14'37" FOR A DISTANCE OF 31.33 FEET TO THE POINT OF BEGINNING.

CONTAINING A TOTAL AREA OF 2,048 SQUARE FEET OR 0.047 ACRES, MORE OR LESS.

THE PRECEEDING DESCRIPTION IS SHOWN ON THE ATTACHED PLAT, EXHIBIT "B", AND BY REFERENCE IS MADE A PART HEREOF.



SHEET 1 OF 1

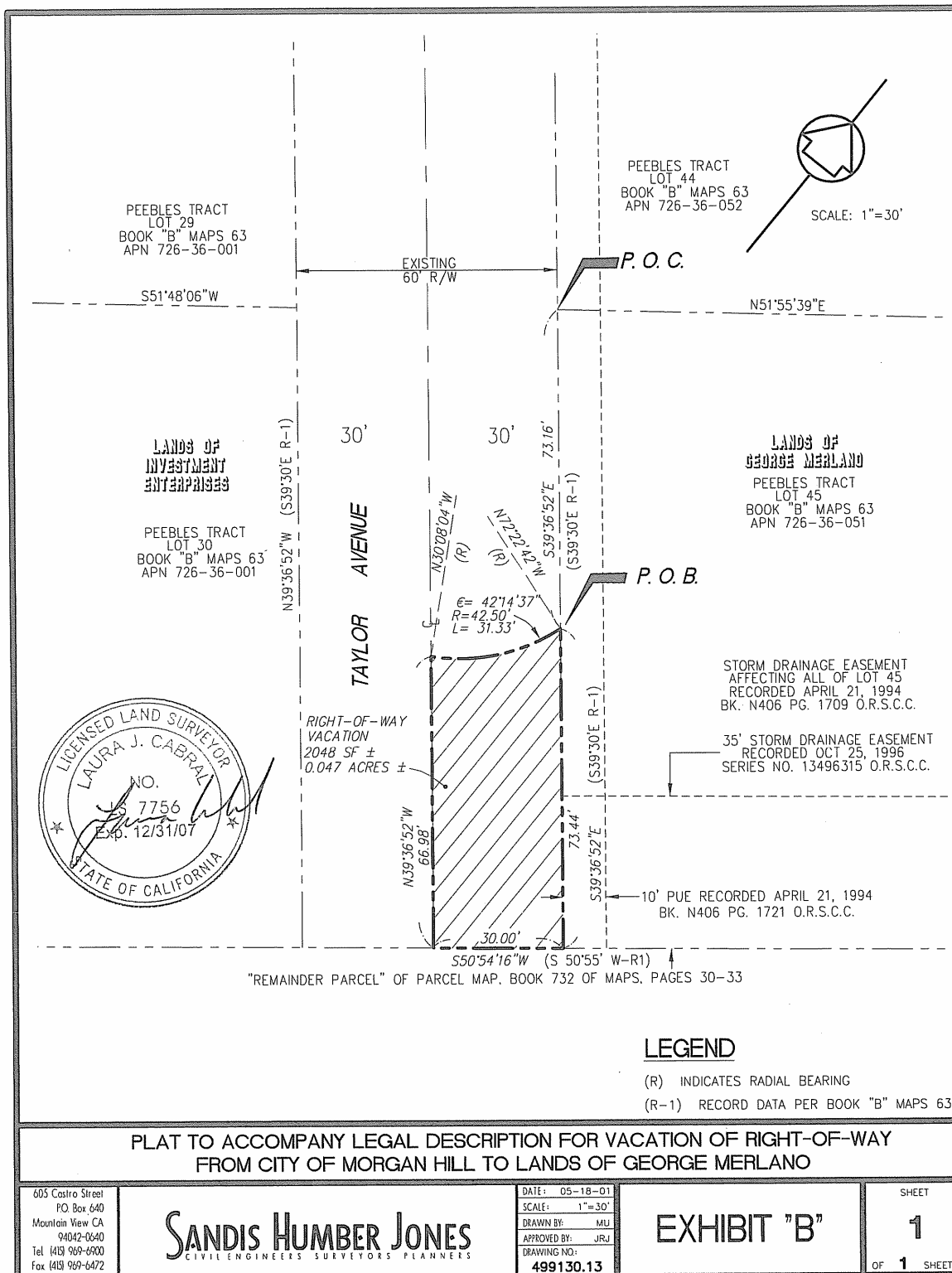


EXHIBIT "A"

LEGAL DESCRIPTION FOR VACATION OF RIGHT-OF-WAY FROM CITY OF MORGAN HILL TO INVESTMENT ENTERPRISES, A CO-PARTNERSHIP

ALL THAT CERTAIN REAL PROPERTY SITUATED IN THE CITY OF MORGAN HILL, COUNTY OF SANTA CLARA, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEING A PORTION OF TAYLOR AVENUE (60 FEET WIDE) AS SHOWN ON THAT CERTAIN MAP ENTITLED, "PEEBELS TRACT", RECORDED MAY 13, 1887, IN BOOK "B" OF MAPS AT PAGE 63, SANTA CLARA COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHERLY CORNER OF LOT 30, AS SAID PARCEL IS SHOWN ON THE "PEEBELS TRACT";

THENCE ALONG THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF TAYLOR AVENUE AND THE NORTHEASTERLY LINE OF LOT 30, SOUTH 39°36'52" EAST, 59.18 FEET TO THE POINT OF BEGINNING;

THENCE LEAVING SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF TAYLOR AVENUE, RUNNING SOUTHEASTERLY, EASTERLY AND NORTHEASTERLY ALONG THE ARC OF A NON TANGENT CURVE, THE RADIUS POINT OF WHICH BEARS NORTH 20°54'46" EAST, SAID CURVE BEING CONCAVE TO THE NORTH, HAVING A RADIUS OF 42.50 FEET, THROUGH A CENTRAL ANGLE OF 51°02'49" FOR A DISTANCE OF 37.86 FEET TO THE CENTERLINE OF TAYLOR AVENUE (60 FEET WIDE);

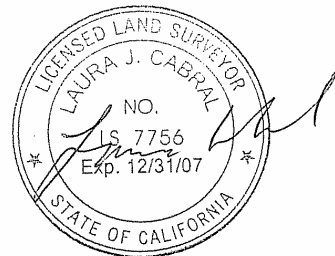
THENCE ALONG SAID CENTERLINE, SOUTH 39°36'52" EAST, 66.98 FEET TO THE SOUTHEASTERLY LINE OF THE PEEBELS TRACT;

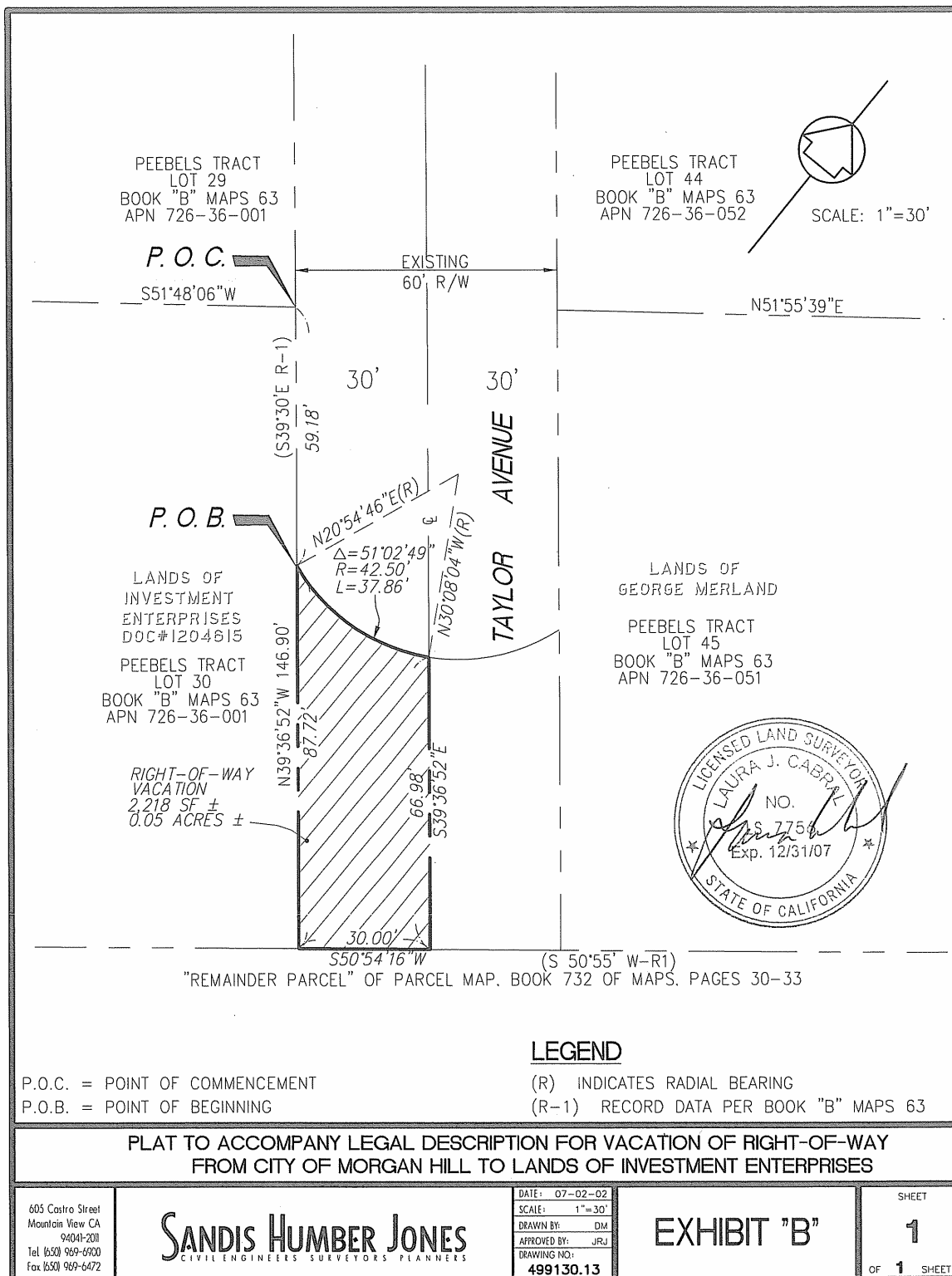
THENCE ALONG SAID SOUTHEASTERLY LINE SOUTH 50°54'16" WEST, 30.00 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF TAYLOR AVENUE AND THE EASTERLY CORNER OF LOT 30;

THENCE ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF TAYLOR AVENUE, AND THE NORTHEASTERLY LINE OF LOT 30, NORTH 39°36'52" WEST, 87.72 FEET TO THE POINT OF BEGINNING.

CONTAINING A TOTAL AREA OF 2,218 SQUARE FEET OR 0.05 ACRES MORE OR LESS.

THE PRECEDING DESCRIPTION IS SHOWN ON THE ATTACHED PLAT, EXHIBIT "B", AND BY REFERENCE IS MADE A PART HEREOF.







CITY COUNCIL STAFF REPORT

MEETING DATE: April 5, 2006

GENERAL PLAN AMENDMENT GPA 05-05: CITY OF MORGAN HILL – URBAN LIMIT LINE / GREENBELT STUDY IMPLEMENTATION

RECOMMENDED ACTION:

Open Public Hearing and continue to April 19 meeting

EXECUTIVE SUMMARY: In April and June of last year, the City Council received the Final Report of the Advisory Committee for the Urban Limit Line / Greenbelt Study. With some minor changes to the Committee's recommendations, the Council directed staff to prepare specific amendments to the General Plan that would begin implementation of the Final Report and to prepare an environmental assessment of the proposed amendments. Those amendments have been prepared and are attached to this memo. The amendments involve the Community Development and Open Space and Conservation Elements of the General Plan. Much of the language in the proposed amendments comes directly from the Advisory Committee's Final Report. In addition to the text amendments, the General Plan Land Use Diagram is proposed to be amended. A map showing the changes to that Diagram is also attached. Proposed to be added to the Diagram is the location of the Urban Limit Line and areas to be added to and removed from the Urban Growth Boundary. Another map that shows the proposed Greenbelt areas is proposed to be added to the Open Space and Conservation Element of the General Plan. A copy of this map is also attached to this memo.

An Initial Study was prepared for the proposed General Plan amendments to identify any potentially significant environmental impacts that might result from their approval. A copy of that document is included separately within this agenda packet. The analysis found that the general, citywide aspects of the amendments would not create any potentially significant environmental impacts. The analysis found that expansion of the UGB and designation of two additional areas for urban use may result in significant environmental impacts. Measures have been identified for each of these impacts that, if implemented, would reduce them to a less than significant level. A Mitigated Negative Declaration is proposed to be adopted for this project.

The Planning Commission considered the proposed General Plan amendments at its meeting of March 14 and 28. The Commission recommends approval of the amendments with the exceptions that the properties on the south side of Spring Ave. between DeWitt and the Spring Manor subdivision be included within the Urban Growth Boundary (UGB) and that the Sunset Rd. area proposed to be included within the UGB be reduced in size from 20 to 19 acres. Copies of the March 14 and 28 Staff Reports to the Commission, which provide detailed information regarding the proposed General Plan amendments and environmental assessment, are attached. Included with those Staff Reports are copies of the correspondence received regarding this matter.

Given the extent of the proposed amendments and anticipated public testimony, Staff recommends the Council open the public hearing, receive testimony, direct Staff to prepare any additional information regarding the proposed amendments, and continue the hearing to the Council's April 19 meeting.

FISCAL IMPACT:

No budget adjustment required.

Attachments:

1. Urban Limit Line / Greenbelt Study General Plan Amendments
2. Proposed Amendments to Land Use Diagram
3. Map 6 Greenbelt Diagram
4. March 14 and 28 Planning Commission Staff Reports
5. Draft Mitigated Negative Declaration and Initial Study (enclosed with packet)

Agenda Item #18

Prepared By:

Project Planner

Approved By:

**Community
Development Director**

Submitted By:

City Manager

Urban Limit Line / Greenbelt Study General Plan Amendments

1. Amend the General Plan Glossary to add definitions for Greenbelt and Urban Limit Line and to amend the definitions for Sphere of Influence and Urban Service Area, as follows:

Greenbelt: The purpose of areas shown as “Greenbelt” on the Greenbelt Diagram is to help physically define the City in terms of distinguishing between rural and urban character, to identify areas where the City and County intend to focus efforts to minimize the impacts of rural development, and to identify selected locations where acquisition of open space easements or land in fee title will be pursued by the City or other public agencies. The Greenbelt includes public spaces and private properties that have importance for one or more environmental reasons, including visual prominence, earthquake hazard-related limitations, and steep slopes. The Greenbelt areas are non-urban lands which are located primarily in the unincorporated County area, outside of the City. Identification as Greenbelt does not change the development potential or restrictions imposed under applicable Santa Clara County or City development policies and regulations.

Sphere of Influence: The possible ~~probable~~ ultimate physical boundaries, and service area or area of influence of the City, as determined by LAFCO. Not all land within the Sphere of Influence is intended for future urbanization. Some areas within the Sphere may receive some, but not full urban services, by the City. All land within the Sphere bears relation to the City’s planning activities.

Urban Limit Line: The Urban Limit Line (ULL) separates urban and future urban areas from rural areas. The ULL is a longer-term version of the Urban Growth Boundary (UGB) and is intended to reflect the City’s long term policy for growth of Morgan Hill, beyond the twenty-year timeframe of the UGB. The purpose of an ULL is to encourage more efficient growth patterns, minimize public costs, and protect environmental resources. Some, but not all, of the land outside the ULL has been identified as Greenbelt.

Urban Service Area: The area within the ~~Sphere of Influence~~ Urban Growth Boundary where utilities such as gas, water, sewer, and electricity, and public services such as police, fire, schools, and parks and recreation are and will be provided.

2. Amend the introductory paragraphs to the Urban Growth Boundary section of the Community Development Element to read as follows:

Urban Growth Boundary (UGB) and Urban Limit Line (ULL)

In 1996 the City Council adopted a long-term Urban Growth Boundary (UGB), which differentiates land within the Sphere of Influence intended for future

urbanization from land intended to remain rural and unincorporated for the next 20 years. Prior to urbanization, large-parcel uses, including farming, are encouraged on land inside the UGB but outside the city. Existing and limited new rural residential uses as well as agricultural and open space uses are appropriate for preserved on all lands outside of the UGB.

The Urban Limit Line (ULL) was established as part of the Urban Limit Line / Greenbelt Study and includes lands which may be needed for City growth beyond the next 20 years. Establishment of this line was necessary to ensure that areas which are planned to become part of the City's Greenbelt will not be needed for future City growth. Some, but not all, of the land outside the ULL has been identified as "Greenbelt" areas. There is no timeline for adding unincorporated land that is inside the ULL to the City. Some unincorporated land may not be added to the City for more than three decades. The Greenbelt is described in the Greenbelt section of the Open Space and Conservation Element and in the Community Development Element.

~~Agriculture has been important to the city as an industry and employment generator throughout its history, in addition to contributing to the city's rural character. Agricultural development policies intend to retain the historic agricultural character of lands surrounding Morgan Hill, and to minimize conflicts between urban development and agricultural uses. (This paragraph to be moved to the Agriculture section of the Open Space and Conservation Element)~~

3. Amend Goal 3 of the Community Development Element to read as follows:

Goal 3. A long-term Urban Growth Boundary and Urban Limit Line around the city

4. Amend Policy 3a. of the Community Development Element to read as follows:

3a. The Urban Growth Boundary (UGB) should be maintained for the City of Morgan Hill, in order to: a) identify ~~differentiate~~ lands within the Morgan Hill Urban Limit Line Sphere of Influence (SOI) which are intended for future urbanization in the future ~~from those intended to remain rural and unincorporated over an approximately 20 year time period~~; b) provide greater stability of future land use patterns than is currently provided by the existing "short term" urban service area (USA) boundaries; c) indicate the preferred extent and direction of the city's future urban expansion and capital improvements planning, consistent with the City General Plan; d) encourage compact and concentric urban growth and development; e) promote fiscal responsibility, cost-effective service delivery, and the City's ability to plan for and adequately maintain urban services over time; f) provide for an adequate land supply necessary for sustainable economic growth; g) compensate for the impacts of the city's historical patterns of urban growth; h) achieve greater compatibility of land use planning and decision-making for lands of mutual interest to the City and County; and i) provide

additional certainty to rural landowners needed for purposes of planning investments and maintaining viable agricultural operations.

5. Amend Policy 3b.of the Community Development Element to read as follows:

3b. Allow Urban Service Area expansions only within the long-term UGB and for lands with urban designations; the timing and extent of Urban Service Area expansion shall remain consistent with established Urban Service Area expansion policies and ordinances. (Note: Residential Estate and Single Family Low lands outside the UGB south of Watsonville Road are anticipated to provide needed residential development beyond the timeframe of this General Plan update, ~~while maintaining the option of establishing a greenbelt in that area.~~)

6. Add Policies 3d. and 3e. to the Community Development Element to read as follows:

3d. Establish and maintain an Urban Limit Line (ULL) around the City to serve as a longer term version of the Urban Growth Boundary and define the inner limits of potential Greenbelt areas.

3e. The Urban Limit Line should be continuous around the City and located outside of or coterminous with the city limits and Urban Growth Boundary. Greenbelt areas should be located outside of the ULL. The ULL may be located within the city limits so that parks or other incorporated, City-designated open space land at the fringe of the community may be included within the Greenbelt.

7. Amend Actions 3.4 and 3.5 to combine them into a single action to read as follows. Renumber Action 3.6, accordingly.

3.4 Evaluate future proposals to modify the UGB according to established criteria, findings or prerequisites, ~~particularly considering stability and dependability factors,~~ such as the need to maintain a 20-year supply on average of available land for accommodating projected growth. ~~To ensure coordination between relevant land use planning issues and growth management considerations, do not reconsider the UGB location more frequently than in conjunction with a comprehensive City General Plan Update every 10 years or so, unless triggered by the established criteria, findings, or prerequisites.~~ Reevaluation of the UGB location may be necessary in conjunction with implementation of Phase 2 of the Urban Limit Line / Greenbelt Study regarding land use in the Southeast Quadrant. greenbelt study to be undertaken in 2002. 3.5 Compare actual and assumed growth rates for each general land use category (i.e. residential, commercial, industrial.) every five years and expand the UGB within the ULL to re-establish a 20 to 25-year supply for any deficient general land use category whenever the available land supply within the existing long term urban growth boundary is less than 20 years worth of developable land.

8. Add Actions 3.6 and 3.7 to the Community Development Element to read as follows:

3.6 Upon completion of the Industrial Lands Market Study and/or planning for long-term use of the area east of Highway 101 and south of San Pedro (the Southeast Quadrant), determine the appropriate location for the Urban Limit Line in that area. Planning for the Southeast Quadrant may occur as part of the next comprehensive General Plan Update.

3.7 When the portion of the Vista de Lomas area that is within the Urban Limit Line is included within the Urban Growth Boundary and planned for development, it should be assigned a General Plan designation which would limit its residential density to one unit per every 2.5 acres.

9. Add Actions 7.4, 7.5 and 7.6 to the Community Development Element to read as follows:

7.4 Future development of the forty-acre parcel on Kruse Ranch Lane north of Dunne Avenue should be located such that environmental impacts, including offsite visual impacts, are minimized. To the extent possible, future development should be clustered and located on the lower portion of the site.

7.5 Consistent with the recommendations of the Urban Limit Line / Greenbelt Study Report, enter into an agreement with the owners of 118 acres of land in the area generally bounded by Sunset, Edmundson and DeWitt which would provide for the following:

- a. Construction of four houses on lots which front of Edmundson Ave.
- b. Construction of one house on the property which fronts on DeWitt Ave.
- c. Expansion of the Urban Growth Boundary to include 20 acres adjacent to Sunset Ave. which would ultimately allow for construction of up to 60 houses, consistent with the “Desirable Infill” policy and criteria.
- d. Recordation of open space easements over approximately 86 acres of the property (most of which is located outside of the City) prohibiting any further development of that area.

7.6 The 18-acre property located at the southwest corner of Santa Teresa Blvd. and Watsonville Road should develop at a density which transitions from minimum parcel sizes of one acre on the southeastern side of the site to minimum parcel sizes of approximately two and one half acres on the southwestern side of the site.

10. Amend the introductory paragraphs to the Edges section of the Community Development Element to read as follows:

Edges

Around much of the City, Greenbelt areas have been identified to define the limits of future urbanization. The character of the limits or edges between urban and

rural environments is important to establishing the city's identity and providing residents on either side of the edge with a sense of place. The demarcation from urban to non-urban areas can take two different forms. With a **hard edge**, the urbanized portion of a city ends abruptly, with rural/agricultural lands around it. With a **feathered edge**, development intensities taper off from higher densities in the city interior to lower densities at the edge, creating a transition from urban to rural. Although they can provide appropriate transitions, feathered edges can make gateways difficult to distinguish. In either case, edges form a boundary between "town" and "country" and limit the potential for unwanted urban sprawl.

11. Add Policy 15d to the Community Development Element to read as follows:

15d. Feathering from higher urban densities to lower rural densities should occur within the city limits. Feathering should begin as development nears the Urban Limit Line.

12. Amend Policy 18d of the Community Development Element to read as follows:

18d. Location and development of parks shall be coordinated with the Open Space and Conservation Element of the General Plan to maximize opportunities for resource protection, Greenbelt creation, environmental education, and passive recreational use of open space where appropriate.

13. Add Policy 18v to the Community Development Element to read as follows:

18v. Where possible, coordinate the location of future parks with Greenbelt areas so as to maximize public open space and recreational benefits.

14. Add Action 18.24 to the Community Development Element to read as follows:

18.24 Investigate the potential for development of hiking trails on the open space/greenbelt areas of El Toro.

15. Amend the Greenbelt section of the Open Space and Conservation Element to read as follows:

Greenbelt

Maintaining the identity of Morgan Hill by providing a non-urban physical separation from San Jose and San Martin has long been important to city residents. ~~An urban growth boundary established in 1996 to slow outward growth of the City and protect its fringe areas is an important first step toward providing that separation. This Plan proposes the logical next step: identification of a specific location for a permanent greenbelt around the City.~~

The purpose of the Greenbelt is to help physically define the City and separate it from San Jose and San Martin. The Greenbelt includes both public open space

and private properties. Hillside areas within the Greenbelt include those that are the most visually prominent, as viewed from the valley floor. Edges of several Greenbelt areas are at elevations that reflect the beginning of hillside environments. Greenbelt areas on the valley floor include Silveira Park, Malaguerra Park and the Coyote Creek Parkway.

Areas outside of the Urban Limit Line that have been substantially subdivided into parcels smaller than 10 acres generally are not included in the identified Greenbelt areas. These areas are primarily located on the valley floor, outside the city limits. Many of the parcels in these areas are developed or are eligible for construction of single-family homes. The existing and potential density of development in these areas minimize their value as Greenbelt areas. However, the rural character of these areas does help to define and distinguish the urbanized city area from other urban and rural county areas. It is desirable for the City and County to coordinate land use planning activities in these areas.

Identification of areas as “Greenbelt” does not change the development potential or restrictions imposed under Santa Clara County development policies and regulations. Land uses within “Greenbelt” areas would continue to be agriculture, limited new residential uses, parks and other open space with minimal improvements. The City would work with the County to minimize off site visual impacts of new development. In addition, the Greenbelt is intended to identify areas where a targeted program of acquisition of open space easements or fee title to land may occur.

Identified “Greenbelt” areas are shown on Map 6.

Goal 2. A stable, long-term city boundary reinforced by a greenbelt

Policies regarding Creation of the Greenbelt

2a. Establish and maintain a greenbelt to demarcate the urbanized area of the city from surrounding non-urbanized lands.

2be. Greenbelt areas should ~~define~~ distinguish the urban area of Morgan Hill from San Jose and San Martin ~~adjacent cities~~. The northern and southern boundaries of the city shall be defined by greenbelts to maintain community identity. (SCJAP 16.13)

2c. Protect views of hillsides, ridgelines and prominent natural features surrounding the City. These features help define the City’s historic rural character, sense of place, image and identity.

2d. In the area between Monterey Road and Highway 101 at the northern Sphere of Influence line, existing urban development precludes the City from providing a

non-urban buffer between it and San Jose. The San Jose Coyote Valley Greenbelt, which includes the area south of Palm Ave. and north of the Morgan Hill city limits and is located within the San Jose Sphere of Influence, will provide the non-urban buffer for that area.

2e. Pursue a targeted program for acquisition of Greenbelt land in fee title or conservation easements. Properties that are most threatened with development which, if acquired, would provide significant public benefit should receive the highest priority for acquisition and/or establishment of easement.

2f. Acquire undeveloped parcels as a first priority.

2g. Acquire easements on properties using an approach that would maintain some appropriate development potential, maximize the use of available funds for greenbelt and open space protection, and minimize land management and maintenance costs.

2h. Acquire land in fee title when the City's objectives include allowing public access to the site for recreational or related activities.

2i. Acquire properties and easements on a "willing seller" basis. Eminent domain will not be used.

Policies regarding Location of the Greenbelt

2l. Locate the Greenbelt outside of the Urban Limit Line, where practical.

2m. Greenbelt areas should include steep hillside areas and areas with other severe geologic or environmental constraints which are located outside of the ULL.

2n. Greenbelt areas should include land designated Open Space in the General Plan and located on the fringe of the community.

2o. Greenbelt areas should not include unincorporated areas with residential development on lots of less than 10 acres, except in unusual circumstances.

Policies regarding Uses within the Greenbelt

2q~~b~~. Support County policies of prohibiting commercial and industrial uses (excluding agricultural industry) in the unincorporated and greenbelt areas surrounding the city.

2r~~d~~. The land uses appropriate within a greenbelt, ~~as determined by the South County Joint Planning Advisory Committee~~, might include: a) low-density residential development on lots 10 acres or more in size ~~(i.e. one unit per 20~~

aeres); b) public parks and recreational areas; c) privately operated recreation areas (e.g., golf courses and riding stables); and, d) agriculture. (SCJAP 16.16)

2s. Within Greenbelt areas, parks and other designated open spaces, scenic/open space easements, golf courses, low intensity public facilities involving minimal permanent improvements and agricultural activities are appropriate uses. Existing residential may remain and new residential uses should be located and designed to have minimal visual and other environmental impacts.

2t. Greenbelt areas which are privately owned are not intended for public recreational use.

Actions regarding Creation of the Greenbelt

~~2.1 Work with the County and San Jose to develop a plan for a greenbelt along the expected edge of the urbanized area of the city within two years of adoption of this General Plan action. (completed)~~

~~2.2 The Greenbelt Plan shall include a comprehensive planning effort to evaluate appropriate land uses in the rural County areas surrounding the city. The Plan shall specifically evaluate the potential for an industrial park southeast of the Tennant Avenue/Highway 101 interchange. (completed)~~

~~2.3 In conjunction with the Greenbelt Plan, investigate the need to modify the UGB and/or SOI to support establishment of a permanent greenbelt. (completed)~~

2.14 Use a variety of tools to create a greenbelt, including public acquisition, land use regulation, urban development policy, economic incentives to landowners, open space easements, transfer of development rights, planned cluster development, assessment districts, and dedication of additional lands upon development.

2.2 Develop a comprehensive program for monitoring land uses and acquiring and maintaining certain Greenbelt areas. Components of the program should include staffing and/or contract resources, identification of and securing funding for acquisition of easements and fee title to property, and administration of the program.

~~2.8 Work with Gilroy and Santa Clara County to establish and preserve a defined, permanent greenbelt between Morgan Hill and Gilroy, containing such land uses as low density rural residential, agricultural activities, and recreation areas. (SCJAP 16.15) (completed)~~

~~2.39~~ Work with San Jose and Santa Clara County to establish and preserve a defined, permanent greenbelt between Morgan Hill and San Jose in the southern Coyote Valley, comprised of agricultural uses, rural estates, and the Coyote Park chain. (SCJAP 16.13 & 16.14)

~~2.440~~ Work with San Jose, Gilroy and Santa Clara County to implement plans for the preservation of greenbelts between the cities. (SCJAP 16.22)

~~2.544~~ Work with San Jose, Gilroy and the County to identify and establish a viable source of funding for acquiring and developing regional parks, pathways, and open space. (SCJAP 16.22)

2.6 The highest priority areas for Greenbelt preservation include the east side of El Toro, the Edmundson/DeWitt/Sunset area, and the foothills on the eastern side of the valley north of Dunne Ave.

2.7 The second highest priority areas for Greenbelt preservation include the west side of El Toro and the hill area south of Edmundson.

2.8 The third highest priority areas for Greenbelt preservation include the west side of Paradise Valley, the Baird Ranch (north of Llagas Road), and the Boy's Ranch/Coyote Creek Park area.

2.9 When acquiring fee title or easements, offer property owners fair market value using industry standard appraisal techniques.

Actions regarding Location of the Greenbelt

~~2.12 The Greenbelt plan shall include an evaluation of the prominent hillsides bounded by Edmundson Avenue, DeWitt Avenue, Spring Street and DelMonte/Sunset Drive and properties on the eastern face of El Toro and include strategies for the preservation of these important visual resources. (completed)~~

2.10 The Greenbelt on El Toro should include all lands recommended for open space protection by Action 4.1 of this Element.

2.11 The Greenbelt on the western side of Paradise Valley should include land at or above the 490-foot elevation contour line.

2.12 The Greenbelt for the hill area south of Edmundson Avenue and north of Sycamore Avenue should include land that is outside the current Urban Growth Boundary and at or above the 490-foot elevation contour line.

2.13 Maintain the Boy's Ranch within the Urban Service Area in recognition of the services it is provided, while also identifying it as a Greenbelt area.

2.14 Silveira Park and the City-owned lands along Llagas Creek to the west should be included with the Greenbelt.

Actions regarding Uses within the Greenbelt

~~2.5 Encourage the County to retain low intensity plan designations and zoning in all lands outside of the Urban Services Area boundary until annexation or extension of facilities/services is planned. (Redundant, see Action 2.15, below)~~

~~2.6 Recommend agricultural uses, rural estate zoning and park uses for County projects adjacent to the UGB. (Redundant, see Action 2.15, below)~~

~~2.157 Support the County maintaining low densities and large minimum lot size requirements for undeveloped areas not planned for urbanization or and lands identified inclusion in a as Greenbelt.~~

2.16 Actively work with the County to find mechanisms that would provide the City with greater influence over development in the unincorporated areas of the City's Sphere of Influence.

2.17 Within City hillside Greenbelt areas, new development should be subject to a site and design review process that encourages minimizing environmental impacts including minimizing the amount of grading and encouraging location of structures in areas where they are least visible from the valley floor.

2.18 The basic Santa Clara County development review processes should be evaluated, updated and strengthened to achieve greater restriction on visibility, from the valley floor and major transportation corridors, of structures in the hillside Greenbelt areas. This updated review process should result in a minimal review process for structures that are not visible from the valley floor and major transportation corridors, and an extensive review process for structures that are visible.

16. Add a new Map 6 Greenbelt Areas, a copy of which follows as Attachment A. Renumber existing Maps 6, 7, and 8 and textual references to them.

17. Amend the introductory paragraphs to the Agriculture section of the Open Space and Conservation Element to read as follows:

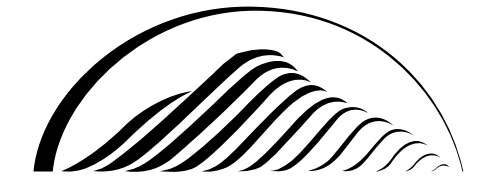
Agriculture has been important to the city as an industry and employment generator throughout its history, in addition to contributing to the city's rural character. Agricultural development policies intend to retain the historic agricultural character of lands surrounding Morgan Hill, and to minimize conflicts between urban development and agricultural uses. (This paragraph moved from the Urban Growth Boundary section of the Community Development Element)

~~Agricultural operations are a key component of both the history and existing semi-rural character of Morgan Hill. Supporting agriculture requires finding~~

innovative ways to help farming and ranching operations become and remain competitive in an increasingly marginal economic environment.

18. Add Action 4.10 to the Open Space and Conservation Element to read as follows:

4.10 Encourage the Santa Clara County Open Space Authority to designate El Toro as a high priority area for preservation.



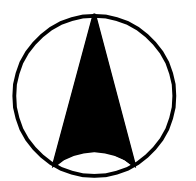
CITY OF MORGAN HILL
General Plan

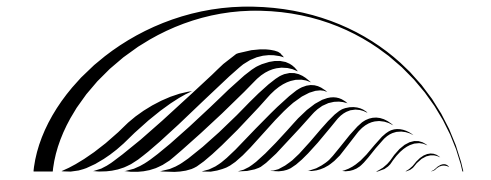
Map 6. Greenbelt Diagram



- City Limit
- - - Sphere of Influence
- Non-Urban Greenbelt Areas






April 2006






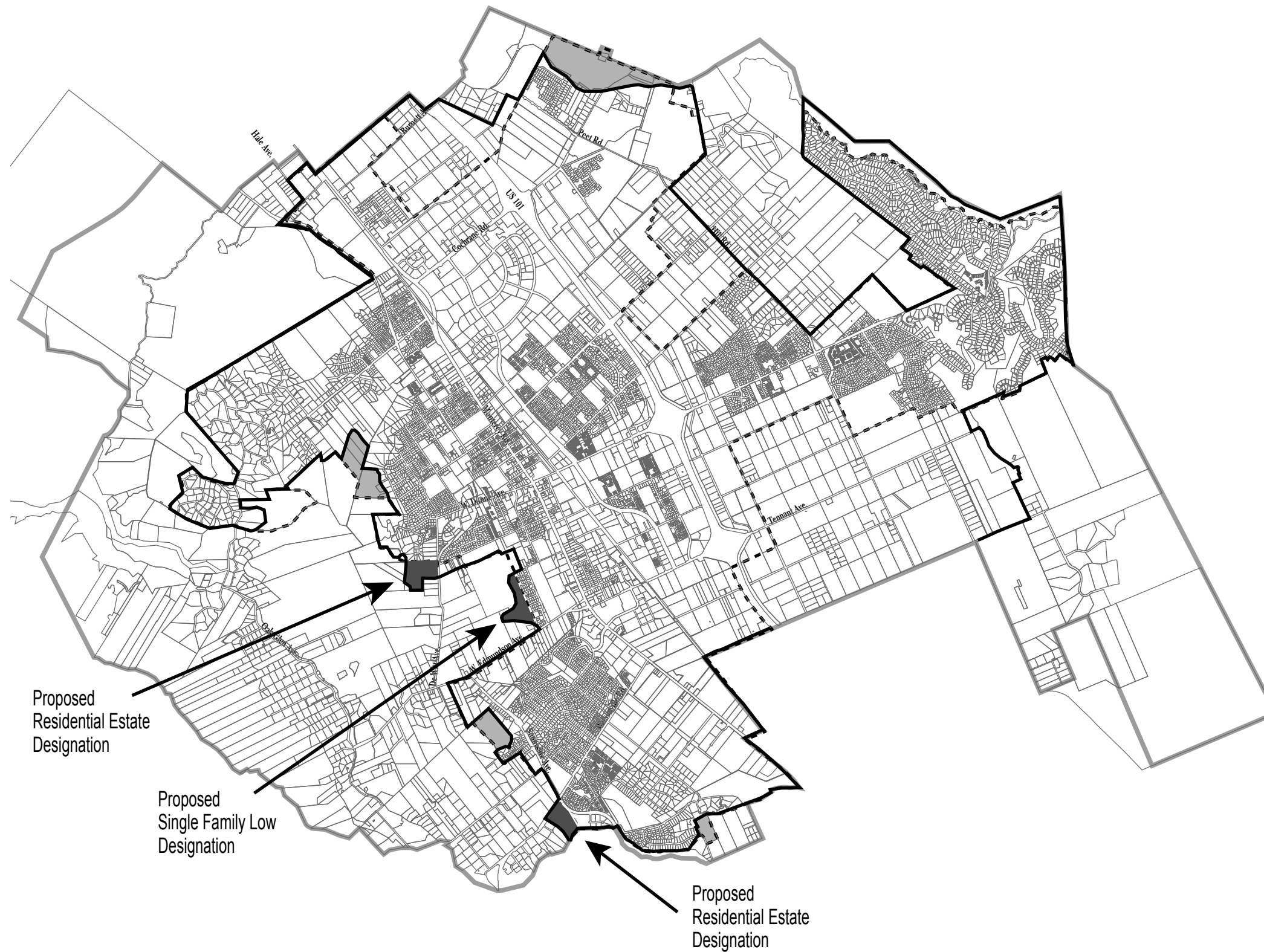
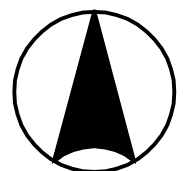
CITY OF MORGAN HILL
General Plan

Proposed Amendments to Land Use Diagram

-  Urban Growth Boundary
-  Urban Limit Line
(To be added to Land Use Diagram)
-  Sphere of Influence
-  Areas to be Removed from Urban Growth Boundary
-  Areas to be Added to Urban Growth Boundary

April 2006


0 2,000 4,000





CITY COUNCIL STAFF REPORT

MEETING DATE: April 5, 2006

URBAN SERVICE AREA APPLICATION USA 05-02, ZONING AMENDMENT APPLICATION ZA 06-01 and ANNEXATION APPLICATION ANX-03-01: EDMUNDSON – OAK MEADOW PLAZA

RECOMMENDED ACTION:

Open Public Hearing and continue to April 19 meeting

EXECUTIVE SUMMARY: The applicant, Oak Meadow Plaza LLC, is requesting expansion of the Urban Service Area, Pre-Zoning and Annexation of all or parts of four parcels totaling 34 acres. Specifically, 34 acres are proposed to be annexed into the City, 20 acres of which are proposed to be pre-zoned R-1, 12,000 and 14 acres are proposed to be pre-zoned Open Space. The 20 acres proposed to be pre-zoned R-1 12,000 are also proposed to be included in the Urban Service Area. Approval of these actions would trigger the recordation of conservation easements over 84 acres of land and limitations on the number and location of additional houses to be built under County jurisdiction in the general vicinity. These actions are the subject of the non-binding Memorandum of Understanding signed by the City and Oak Meadow et. al. in February of this year. The attached map illustrates the proposed actions. The proposed applications can only be approved if the subject property is included within the Urban Growth Boundary and assigned residential and open space land use designations, as proposed in the General Plan amendments for implementation of the Urban Limit Line / Greenbelt Study, also under consideration on this agenda.

The Planning Commission reviewed these requests at its meetings of March 14 and 28. The attached staff reports to the Commission provided detailed information regarding the requests. At its March 28 meeting, the Commission voted to approve the requests with two exceptions. First, the number of acres to be included within the Urban Service Area and pre-zoned R-1 12,000 be reduced so as not to include any land with a slope greater than 10 percent (consistent with the Urban Limit Line Advisory Committee recommendation). Second, the area proposed to be pre-zoned Open Space and encumbered by an open space easement be deeded to the City. The Commission felt that the dedication of the property would be more closely follow the language of Measure C than recordation of an open space easement over it. Significant public comment was received at the Commission hearing regarding these applications. Copies of the correspondence received in included with the agenda item concerning the General Plan amendments for the Urban Limit Line Study.

The environmental evaluation of these proposed applications is included in the Initial Study / Mitigated Negative Declaration for the Urban Limit Line / Greenbelt Study. That document is included separately within this Council agenda packet. The evaluation found that designation of the area for urban use may result in significant environmental impacts. Measures have been identified in the evaluation for each of these impacts that, if implemented, would reduce them to a less than significant level. A Mitigated Negative Declaration is proposed to be adopted for this project.

Given the dependency of these applications on action the Council takes on the General Plan amendments for the Urban Limit Line Study and the anticipated public testimony, Staff recommends the Council open the public hearing, receive testimony, direct Staff to prepare any additional information regarding the proposed amendments, and continue the hearing to the Council's April 19 meeting.

FISCAL IMPACT: No budget adjustment required.

Attachments:

1. Map of Building Locations and Open Space Areas
2. March 14 and 28 Planning Commission Staff Reports
3. Draft Mitigated Negative Declaration and Initial Study (enclosed with packet)

Agenda Item # 19

Prepared By:

Project Planner

Approved By:

**Community
Development Director**

Submitted By:

City Manager



CITY COUNCIL STAFF REPORT

MEETING DATE: *April 5, 2006*

GENERAL PLAN AMENDMENT APPLICATION GPA 05-06, URBAN SERVICE AREA APPLICATION USA 05-01, ZONING AMENDMENT APPLICATION ZA 05-27 and ANNEXATION APPLICATION ANX-05-18: SANTA TERESA BLVD. – BLACK ROCK

RECOMMENDED ACTION:

Open Public Hearing and continue to April 19 meeting

EXECUTIVE SUMMARY: The subject 18-acre parcel is located at the southwest corner of Santa Teresa and Watsonville Road. The applicant, Black Rock, LLC, has requested the City take the four following actions regarding the subject property.

1. Include the parcel within the Urban Growth Boundary and designate it Residential Estate on the General Plan Land Use Diagram,
2. Include the parcel within the Urban Service Area,
3. Pre-zone the parcel RE 40,000 RPD, and
4. Annex the parcel into the city limits.

The Planning Commission reviewed these requests at its meetings of March 14 and 28. The attached staff reports to the Commission provide detailed information regarding the requests. At its March 28 meeting, the Commission voted to approve the requests. Two letters of opposition were received and are included with the correspondence for the Urban Limit Line / Greenbelt Study General Plan amendments.

The environmental evaluation of these proposed applications is included in the Initial Study / Mitigated Negative Declaration for the Urban Limit Line / Greenbelt Study. That document is included separately within this Council agenda packet. The evaluation found that designation of the area for urban use may result in significant environmental impacts. Measures have been identified in the evaluation for each of these impacts that, if implemented, would reduce them to a less than significant level. A Mitigated Negative Declaration is proposed to be adopted for this project.

In its approval of the subject applications, the Commission directed that resolutions with the appropriate findings be placed on its April 11 agenda. In order for resolutions with appropriate findings to be prepared and approved by the Commission and to allow for the final Mitigated Negative Declaration to be prepared, Staff recommends the Council open the public hearing, receive testimony, direct Staff to prepare any additional information regarding the proposed amendments, and continue the hearing to the Council's April 19 meeting.

FISCAL IMPACT: No budget adjustment required.

Attachments:

1. March 14 and 28 Planning Commission Staff Reports
2. Draft Mitigated Negative Declaration and Initial Study (enclosed with packet)

Agenda Item # 20

Prepared By:

Project Planner

Approved By:

**Community
Development Director**

Submitted By:

City Manager



CITY COUNCIL STAFF REPORT

MEETING DATE: April 5, 2006

Agenda Item # 21

Prepared By:

Project Planner

Approved By:

**Community
Development Director**

Submitted By:

City Manager

AMENDMENT TO DESIRABLE INFILL POLICY

RECOMMENDED ACTION(S):

Approve amendment to policy by minute action.

EXECUTIVE SUMMARY:

The Desirable Infill Policy, which was authorized by Measures P and C, establishes standards for expansion of the Urban Service Area for small areas. The Policy was first adopted by the City Council in 1993 and has been amended several times since that time. However, application of the policy to the Oak Meadow Plaza Urban Service Area application (USA 05-02), currently under consideration, has identified a number of aspects of the policy that may result in unanticipated consequences.

Staff has proposed amendments to the Policy that would align it more closely with the specific language contained in the Measure C initiative and clarify that the provision of permanent open space would beneficially affect the general welfare of the citizens of the City, as required by the initiative. Attached are two staff reports to the Planning Commission that fully explain the proposed changes and respond to questions/issues raised by the Commission. Also attached is a memo from the City Attorney which addresses the consistency of the proposed changes to the Policy with the language of Measure C.

The Planning Commission considered the proposed changes to the Policy at its meeting of March 14 and 28. The Commission recommends approval of the changes to the Policy as shown in the attachment. Language that is proposed to be added to the Policy is underlined and language that is proposed to be deleted is lined out.

FISCAL IMPACT:

No budget adjustment required.

Attachments:

1. Proposed changes to Desirable Infill Policy
2. March 14 Planning Commission Staff Report
3. March 28 Planning Commission Staff Report
4. March 27 Memo from City Attorney

CITY OF MORGAN HILL

CITY COUNCIL POLICIES AND PROCEDURES

CP 94-02

SUBJECT: CRITERIA FOR ADJUSTMENT OF THE URBAN SERVICE BOUNDARY

EFFECTIVE DATE: APRIL 7, 1994

REVISION DATE: June 15, 1994, September 21, 2005, April 5, 2006

DESIRABLE INFILL STANDARDS

It shall be the policy of the City of Morgan Hill to utilize the following criteria to evaluate and approve boundary adjustments to forward to the County Local Agency Formation Commission (LAFCO) based on the Desirable Infill exception allowed by Section 18.78.070(B) of the Municipal Code.

Residentially Planned Properties

The City may petition LAFCO for expansion of the Urban Service Area (USA) irrespective of the amount of vacant land available for residential development currently within the Urban Service Area provided that the property subject to the proposed expansion meets the definition of "Desirable Infill". That definition includes criteria which addresses physical characteristics of the property, provision of services to the property, and benefits to the City from inclusion of the property. All three criteria must be met for a property to be added to the Urban Service Area.

Physical Criteria

1. Complete or pPartial properties may ~~shall not~~ be included. Partial properties may only be included subject to the following standards:
 - a. The portions of the properties not proposed for inclusion within the USA must be annexed at the same time as the portions proposed for inclusion; and
 - b. The portions of the properties not proposed for inclusion within the USA must be planned for open space or greenbelt use and owned by a public agency or, if not owned by a public agency, protected by a conservation easement for the benefit of the public;
2. The total acreage of land to be added to the USA ~~a parcel~~ shall not exceed 20 acres; and
3. The land to be included ~~Each parcel~~ shall be abutted at least 50% on each of two sides by property within the ascribed boundaries ~~on December 7, 1990~~; or is abutted at least 50% on one side by property within the ascribed boundaries ~~on December 7, 1990~~ and has two other sides within 1320 ft. of the ascribed boundaries ~~on December 7, 1990~~ (as

determined by perpendicular lines drawn from the two other sides of the land to be included ~~property~~ to the ascribed boundaries). For the purpose of this determination, the ascribed boundaries shall be defined as follows:

- a. In instances where the urban service boundary is within the city limits, the ascribed boundary is the urban service boundary.
 - b. In instances where the urban service boundary is coterminous with or extends beyond the city limits, the ascribed boundary is the city limits.
 - c. A parcel which does not touch property within the ascribed boundaries but is on the opposite side of the street from property within the ascribed boundaries will be considered to abut property within those boundaries.
4. Land ~~Parcels~~ not contiguous to the urban service area may be eligible for inclusion in the urban service area if the land ~~parcels~~ meets the standards contained in criteria 1 and 2 above and the property's inclusion is necessary to avoid the potential for creation of an unincorporated peninsula or island within the City. Such non-contiguous land ~~parcels~~ may only be included within the USA if the entire area of consideration in which the land ~~parcels~~ are contained does not exceed 20 acres.
5. The City Council, prior to approving expansion of the USA, shall make finding(s) documenting that the expansion is not being granted to an applicant, development or land previously included within the USA under the terms of this policy.

City Service Criteria

The City shall only add land ~~parcels~~ to the Urban Service Area which would potentially be eligible to receive a passing score under Part 1 of the Residential Development Control System criteria (Section 18.78.200 of the Municipal Code).

For the purposes of this determination, properties will be evaluated against Part I of the RDSCS using the following standards:

2 Points assigned if the necessary facility is currently in place and is of adequate capacity to serve the potential development of the parcel (as recommended by the City Engineer).

1 or 1.5 points assigned if the necessary facility could be reasonably installed or improved as a condition of a development of the parcel (as recommended by the City Engineer).

0 points assigned if the necessary facility could not be reasonably installed or improved as a condition of development of the parcel (as recommended by the City Engineer).

Beneficial Criteria

The City shall only add land parcels to the Urban Service Area which would beneficially affect the general welfare of the citizens of the City.

Land Parcels which would be considered to beneficially affect the citizens of the City includes those which promote orderly and contiguous development ~~by and~~ allowing for the provision of needed infrastructure or allowing for the establishment of public facilities such as parks, open space and greenbelt lands under conservation easements, schools or other buildings to be owned or operated by the City, School District, Water District or any other public agency.

For the purpose of this determination, the following standards shall apply:

~~Orderly and Contiguous Development: To be considered “orderly and contiguous development” parcels must be adjacent to the Urban Service Boundary on at least 50 percent or more of the property boundary.~~

Provision of Needed Infrastructure: To allow for the completion of needed infrastructure, land parcels must be capable of providing for one or more of the following:

- a. The gridding of the existing water system.
- b. The elimination of an existing dead end street(s) or the improvement of an existing substandard street which has been identified as creating a potentially hazardous situation or provision of a new street which substantially improves circulation in an area.
- c. The installation or improvement of a sewer line(s) where the existing line or service levels are determined to be substandard.
- d. The installation or improvement of storm drainage facilities where the existing facilities or service levels are determined to be substandard.
- e. The establishment of water tanks or lift stations in areas where determined necessary by the City.

Establishment of Needed Public Facilities: To allow for the establishment of public facilities, land a parcel must be identified as a location for the establishment of a public

facility (park, school, public buildings) to be owned or operated by the City, School District, Water District or any other public agency.

The infrastructure improvements that are the basis of the City's findings that the expansion would beneficially affect the general welfare of the City must be installed, or the land needed for public facilities that are the basis of the City's findings that the expansion would beneficially affect the general welfare of the City must be conveyed to the public agency, within five years of the date that the area is added to the Urban Service Area or upon its development, whichever occurs first. The commitment by the applicant to install the needed infrastructure improvements on which the City's findings are based, and/or convey the land needed for the public facilities or record a conservation easement for the benefit of the public, must be secured prior to official action adding the area to the Urban Service Area, through a development agreement or other legally binding agreement recorded against the property. The City shall not require an applicant to provide infrastructure or land in a quantity exceeding that which is needed to fully offset and mitigate all direct and cumulative impacts on services and infrastructure from new development proposed by the applicant.

The City Council may make exceptions to these requirements for, and support the annexation to the City of, Existing County Subdivisions as defined in section 18.78.030.A, "Development allotments – Determination and distribution" of the Residential Development Control provisions of the Morgan Hill Municipal Code

Commercially and Industrially Planned Properties

To encourage economic development, the City may approve expansions of the Urban Service Boundary which include properties which are contiguous to the Urban Service Boundary and are designated in the Land Use Element of the Morgan Hill General Plan for commercial or industrial use. Properties so added to the Urban Service Area shall not be eligible for conversion to residential use except as provided by Section 18.62.070 of the Morgan Hill Municipal Code.

This policy shall remain in effect until modified by the City Council.

APPROVED:

DENNIS KENNEDY, MAYOR



MEMORANDUM

TO: Kathy Molloy Previsich, Director of Community Development
Jim Rowe, Planning Manager
David Bischoff, Planning Consultant

COPY: Ed Tewes, City Manager

FROM: Janet Kern, City Attorney

DATE: March 27, 2006

SUBJECT: Issues Relating to Desirable Infill Standards Policy

Tomorrow, March 28, 2006, the City Planning Commission will consider certain proposed amendments to the City Council policy regarding expansion of the Urban Service Boundary for Desirable Infill. In light of that upcoming discussion, Staff has requested clarification of certain terms in the Morgan Hill Municipal Code Chapter 18.78, Residential Development Control System (Measure C).

ISSUE

1. Does a permanent open space easement satisfy the requirement set forth in Section 18.78.070 for any proposed expansion of the City's urban service area to "beneficially affect the general welfare of the citizens of the city"?
2. May only a portion of a legal parcel be included in a proposed expansion of the City's urban service area?

BACKGROUND

Subsection A of Section 18.78.070 prohibits the addition of land to the City's urban service area until such time as land within the existing urban service area is insufficient to accommodate five years of future residential growth in accordance with the development allotment process. Subsection B of Section 18.78.070 sets forth an exception to that prohibition for "desirable infill". Subsection B authorizes the City Council to formulate standards to determine "desirable infill" and also provides certain direction and guidance to the City Council in formulating those standards.



Kathy Molloy Previsich; Jim Rowe; David Bischoff
Re: Issues Relating to Desirable Infill Standards Policy
March 27, 2006
Page 2

The first paragraph of Subsection B provides direction that the City Council "shall make findings documenting that the expansion would not unduly burden city services and that the expansion would beneficially affect the general welfare of the citizens of the city, as defined in the following paragraph." (Underlining added.)

The second paragraph of Subsection B provides guidance to the City Council in making those findings. Rather than using mandatory language, the second paragraph describes "areas whose addition to the urban service area would be considered to beneficially affect the general welfare of the citizens of the city [to] include those which promote orderly and contiguous development by facilitating the provision of infrastructure improvements, or allow for the establishment of public facilities, such as parks, schools or other buildings to be owned or operated by the city, school district, water district or any other public agency." (Underlining added.)

Effective April 7, 1994, and in accordance with Subsection B of Section 18.78.070, the City Council did adopt Criteria for Adjustment of the Urban Service Boundary and has revised that policy on June 15, 1994 and September 21, 2005 ("Infill Policy"). A recommendation on further revision to the Infill Policy will be before the City Planning Commission tomorrow.

ANALYSIS

The First Issue

On February 4, 2006, the City Council approved the Predevelopment Memorandum of Understanding Regarding Certain Undeveloped Property Located on Sunset, Edmundson and DeWitt in Unincorporated Santa Clara County (the "MOU"). Section 4(b)(iv) of the MOU provides: "The permanent open space easements and other limitations on the Edmundson Property and DeWitt Property would provide the required community benefit for inclusion of the 19.99 acre portion of the Sunset Property in the Urban Service Area as "infill development" pursuant to Measure C."

The proposed revision to the Infill Policy will clarify that a permanent open space easement, granted to and recorded for the benefit of the City, qualifies as an acceptable method of satisfying the requirements of Chapter 18.78.070, Subsection B. There is no language in Chapter 18.78.070 which prohibits the City Council from making such a determination. There is support for such a determination in the Findings and Purposes of Chapter 18.78.010, Subsection H (enacted with passage of Measure P) which states: "The unique character of the city depends on its rural surroundings. In order to maintain this rural atmosphere, provide a buffer against development and preserve a greenbelt legacy for future generations, the city must take steps to preserve open space and

Kathy Molloy Previsich; Jim Rowe; David Bischoff
Re: Issues Relating to Desirable Infill Standards Policy
March 27, 2006
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agricultural land and public parklands in and around the city." Upon adoption of Measure C, the foregoing language was retained and supplemented with by findings stating "Should the City in the future establish an Urban Limit Line or Greenbelt, no residential development or expansion of the Urban Growth Boundary or Urban Service Area could be approved pursuant to the RDCS Update that is inconsistent with such Urban Limit Line or Greenbelt." Therefore, it appears the intent is to allow the City Council discretion to establish acceptable criteria for "desirable infill" and to encourage greenbelts. Permanent open space easements are consistent with greenbelt uses.

The Second Issue

The proposed revision to the Infill Policy also will clarify the conditions under which a partial legal parcel may qualify for treatment as "desirable infill." Subsection B of Chapter 18.78.070 describes "desirable infill" as "a tract of land not exceeding twenty acres and abutted on at least two sides by the city or abutted on one side by the city and having two other sides within a quarter-mile of a city boundary, as determined by a perpendicular line drawn from the side of the parcel to the city boundary, and whose inclusion into the urban service area would not unduly burden city services and would beneficially affect the general welfare of the citizens of the city. The standards set up for granting such exceptions must include criteria to prevent repetitively granting exceptions to the same applicant, development or parcel."

As stated above, Subsection B of Chapter 18.78.070 provides guidance to the City Council in establishing criteria for "desirable infill." The use of the word "parcel," "land," "area," "development," "boundary," etc. appear to be descriptive rather than attempting to convey any precise legal meaning. Therefore, the City Council should not be restricted from taking an otherwise legal action that satisfies other Local Agency Formation Commission requirements due to the use of the word "parcel."

CONCLUSION

The City Council is authorized by Measure C to adopt criteria for "desirable infill". For the City Council to find that the general welfare of the citizens of the city have been beneficially affected by obtaining a permanent open space easement, granted to and recorded for the benefit of the City, would seem a reasonable and defensible determination. Further, there does not appear to be any restriction on the City Council adding partial parcels of land as "desirable infill" assuming all other conditions have been met.



CITY COUNCIL STAFF REPORT

MEETING DATE: April 5, 2006

SOLID WASTE MANAGEMENT RATE ADJUSTMENT

RECOMMENDED ACTION(S):

1. Open/Close the Public Hearing
2. Approve the Refuse Rate Resolution

EXECUTIVE SUMMARY: The City Council approved South Valley Disposal and Recycling's new franchise agreement for solid waste management services in July, 2005. One of the provisions of this amendment is that future service rates will be based upon changes in the Consumer Price Index. In accordance with the agreement, South Valley submits a timely request for a rate adjustment each year. South Valley's current rate application (Exhibit 1) follows the formula prescribed in the franchise agreement. The total rate adjustment requested this year is 2.24%. This rate adjustment will increase the maximum allowed charge for basic residential service by 49¢ per month.

Exhibit 1 also lists all of the City's current solid waste rates and what the maximum rates will be with these adjustments. The maximum permitted monthly charge for flatland customers will be \$22.31 and the maximum permitted monthly charge for hillside customers will be \$24.30.

The Utilities and Environment Subcommittee considered this item on March 27 and recommended approval. Staff recommends that the Council adopt the attached resolution.

FISCAL/RESOURCE IMPACT: If the rate application is approved, the City's annual franchise fee revenues will go up by 2.24% or approximately \$18,000. Processing this application is an anticipated and included activity in the work program of the Public Works Department.

Agenda Item # 22

Prepared By:

Program Administrator

Approved By:

Public Works Director

Submitted By:

City Manager

RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF MORGAN HILL APPROVING AN
ADJUSTMENT IN SOLID WASTE COLLECTION
RATES**

WHEREAS, The City of Morgan Hill has approved a franchise agreement with South Valley Disposal and Recycling that establishes a rate setting methodology; and

WHEREAS, South Valley Disposal and Recycling has submitted an application for a rate adjustment that substantially complies with the methodology in the Agreement; and

WHEREAS, the cost of living, as indicated by the consumer price index, has increased during the past year causing an increase in the cost of providing service; and

WHEREAS, required contributions to landfill-related trust funds have remained low; and

WHEREAS, South Valley Disposal and Recycling has agreed to provide an educational insert in their next garbage billing explaining the rate adjustment process;

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Morgan Hill authorizes South Valley Disposal and Recycling to adjust their rates up to the maximum levels listed on Attachment 1.

PASSED AND ADOPTED by the City Council of Morgan Hill at a Regular Meeting held on the 5th Day of April, 2006 by the following vote.

AYES: COUNCIL MEMBERS:
NOES: COUNCIL MEMBERS:
ABSTAIN: COUNCIL MEMBERS:
ABSENT: COUNCIL MEMBERS:

🏛️ CERTIFICATION 🏛️

I, IRMA TORREZ, CITY CLERK OF THE CITY OF MORGAN HILL, CALIFORNIA, do hereby certify that the foregoing is a true and correct copy of Resolution No. , adopted by the City Council at a Regular Meeting held on April 5, 2006.

WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.

DATE: _____

IRMA TORREZ, City Clerk

SOUTH VALLEY DISPOSAL AND RECYCLING, INC.
CITY OF MORGAN HILL
RATES EFFECTIVE JULY 1, 2006

DESCRIPTION	Current Rates	Add 2.24%	New Rates
<u>Residential Rates</u>			
BASIC SINGLE FAMILY	21.82	0.49	22.31
SGL FAM - NO STREET SWEEPING	21.54	0.48	22.02
HILLSIDE RESIDENTIAL	23.77	0.53	24.30
HILLSIDE RESIDENTIAL - NO SWEEPING	23.43	0.52	23.95
LOW INCOME	17.46	0.39	17.85
LOW INCOME - NO ST SWEEPING	17.23	0.39	17.62
EX YW CONTAINER RENT	-	-	-
BULKY MATERIAL (1-3 ITEMS)	29.53	0.66	30.19
BULKY MATERIAL (EACH EXTRA ITEM)	11.80	0.26	12.06
SIDE/BACKYARD SERV	8.85	0.20	9.05
GARBAGE TOTES RENTAL	3.76	0.08	3.84
RETURNED TRIP COLLECTION	23.11	0.52	23.63
<u>Commercial Rates</u>			
1 CAN COMM	13.65	0.31	13.96
2 CANS COMM	22.38	0.50	22.88
3 CANS COMM	31.15	0.70	31.85
4 CANS COMM	39.93	0.89	40.82
5 CANS COMM	48.69	1.09	49.78
6 CANS COMM	57.47	1.29	58.76
7 CANS COMM	66.20	1.48	67.68
8 CANS COMM	74.95	1.68	76.63
9 CANS COMM	83.72	1.88	85.60
10 CANS COMM	92.50	2.07	94.57
2 YD 1 X WEEK	169.44	3.80	173.24
2 YD 2 X WEEK	321.30	7.20	328.50
2 YD 3 X WEEK	473.11	10.60	483.71
2 YD 4 X WEEK	624.96	14.00	638.96
2 YD 5 X WEEK	776.77	17.40	794.17
2 YD 6 X WEEK	927.48	20.78	948.26
1/2 3 YD 1 X WEEK	122.74	2.75	125.49
3 YD 1 X WEEK	245.46	5.50	250.96
3 YD 2 X WEEK	467.45	10.47	477.92
3 YD 3 X WEEK	689.45	15.44	704.89
3 YD 4 X WEEK	911.44	20.42	931.86
3 YD 5 X WEEK	1,133.41	25.39	1,158.80
3 YD 6 X WEEK	1,355.40	30.36	1,385.76
4 YD 1 X WEEK	317.61	7.11	324.72
4 YD 2 X WEEK	603.61	13.52	617.13
4 YD 3 X WEEK	889.62	19.93	909.55
4 YD 4 X WEEK	1,175.64	26.33	1,201.97

SOUTH VALLEY DISPOSAL AND RECYCLING, INC.
CITY OF MORGAN HILL
RATES EFFECTIVE JULY 1, 2006

DESCRIPTION	Current Rates	Add 2.24%	New Rates
4 YD 5 X WEEK	1,461.63	32.74	1,494.37
4 YD 6 X WEEK	1,747.65	39.15	1,786.80
6 YD 1 X WEEK	474.55	10.63	485.18
6 YD 2 X WEEK	908.19	20.34	928.53
6 YD 3 X WEEK	1,341.82	30.06	1,371.88
6 YD 4 X WEEK	1,775.47	39.77	1,815.24
6 YD 5 X WEEK	2,209.12	49.48	2,258.60
6 YD 6 X WEEK	2,642.75	59.20	2,701.95
SPECIAL COLLECTION	19.49	0.44	19.93
REGULAR COMPACTOR (PER YARD)	30.80	0.69	31.49
RECYCLE COMPACTOR (PER YARD)	18.21	0.41	18.62
SUPER COMPACTOR (PER YARD)	61.60	1.38	62.98
20 YARD DEBRIS BOX	339.04	7.59	346.63
35 YARD DEBRIS BOX	484.35	10.85	495.20
40 YARD DEBRIS BOX	565.09	12.66	577.75
PERM RENTAL	179.63	4.02	183.65
PERM DISPOSAL (PER YARD)	16.90	0.38	17.28
CARDBOARD COMPACTOR	FREE	FREE	FREE
20 YARD CARDBOARD	FREE	FREE	FREE
40 YARD CARDBOARD	FREE	FREE	FREE
20 YARD OTHER RECYCLABLES	173.30	3.88	177.18
40 YARD OTHER RECYCLABLES	288.88	6.47	295.35
20 YARD DEBRIS BOX HILLSIDE	422.73	9.47	432.20
40 YARD DEBRIS BOX HILLSIDE	648.49	14.53	663.02

Compactor Front Loader Service

2 YARD COMPACTOR 1 X WEEK	266.93	5.98	272.91
2 YARD COMPACTOR 2 X WEEK	533.86	11.96	545.82
2 YARD COMPACTOR 3 X WEEK	800.79	17.94	818.73
3 YARD COMPACTOR 1 X WEEK	400.40	8.97	409.37
3 YARD COMPACTOR 2 X WEEK	800.79	17.94	818.73

Super Compactor Front Loader Service

2 YARD COMPACTOR 1 X WEEK	533.86	11.96	545.82
2 YARD COMPACTOR 2 X WEEK	1,067.73	23.91	1,091.64
2 YARD COMPACTOR 3 X WEEK	1,601.59	35.88	1,637.47
3 YARD COMPACTOR 1 X WEEK	800.79	17.94	818.73
3 YARD COMPACTOR 2 X WEEK	1,601.59	35.88	1,637.47

Special Street Sweeping

M-F 8:00AM-5:00PM (PER HOUR)	75.00	-	75.00
ALL OTHER HOURS (MINIMUM + HOURLY)	500.00	-	500.00



CITY COUNCIL STAFF REPORT

MEETING DATE: *April 5, 2006*

Agenda Item # 23

Prepared By:

Sr. Project Manager

Approved By:

Public Works Director

Submitted By:

City Manager

AWARD CONTRACTS FOR CONSTRUCTION OF NEW LIBRARY AND APPROVE CONSULTANT AGREEMENTS & AMENDMENT FOR PROFESSIONAL SERVICES

RECOMMENDED ACTION(S):

1. Approve project Plans and Specifications.
2. Approve financing strategy as outlined in attached memo and appropriate \$1.5 million additional funding as recommended.
3. Reject Bid Package #11-Glass and authorize rebid.
4. Waive minor irregularities in apparent low bids #7, 8, 9, 14, 15, 16 & 19 that do not materially affect amount of bid nor provide a competitive advantage to low bidder as shown on attached Bid Results Summary and as reviewed by the City Attorney.
5. Reject non-responsive apparent low bids #3, 4, 13 & 20 as shown on the attached Bid Results Summary and as reviewed by the City Attorney.
6. Award construction contracts for various prime contractors in the total amount of \$10,701,023 per the attached Bid Results Summary.
7. Authorize the City Manager to execute consultant agreements for professional services during construction per attached memo subject to City Attorney approval.
8. Authorize the City Manager to execute a Sixth Amendment to the Noll & Tam design agreement per the attached memo subject to City Attorney approval.
9. Approve the Resolution declaring the City's intent to reimburse certain Library Project expenditures from bond proceeds.

EXECUTIVE SUMMARY: In February 2006 we advertised for bids on the Library construction project and publicly opened 19 bid packages in March. The bids resulted in a recommended project budget of \$19 million which is \$1.5 million over the previously approved budget. Note, only one bid for Package #11-Glass was received. Staff & TBI are recommending that Council reject that bid so we may attempt to obtain more bidders and therefore more competitive pricing. The following exhibits are attached for Council's review and consideration:

- A. Budget Summary
- B. Budget Financing Schedule: November 2005 to April 2006
- C. Proposed Financing Memo for the recommended \$19 million project budget
- D. Public Bid Results Summary
- E. TBI's letter regarding bid award recommendations and value engineering suggestions
- F. Memorandum requesting authorization for agreements with construction consultants
- G. Memorandum requesting amendment to Noll & Tam's contract for Additional Services
- H. Reimbursement Resolution

Attached to Exhibit E is a list of potential value engineering items that can be "change ordered" after awarding the contracts if Council should choose to pursue additional savings. This is a similar process used on other public facility projects. In order to meet the project completion schedule as approved by Council in November 2005, the 18 bids must be awarded tonight as recommended above.

FISCAL/RESOURCE IMPACT: If Council chooses to proceed with award as recommended, it will be necessary to appropriate additional funding in the amount of \$1.5 million. This would include a construction contingency in the amount of \$775,274 (~5.6%) as shown on the attached budget summary.

Exhibit "A"

NEW LIBRARY BUDGET SUMMARY

	As Approved 11/30/05	If Awarded 4/5/06	
Sitework	\$2,254,292	n/a	Included in Hard Construction Costs
Hard Construction Costs	\$8,610,562	\$13,201,022	See Detail Below
FF&E	\$800,000	\$712,088	Reduced by amount covered in Construction
Construction Contingency	\$500,000	\$775,274	approx 5.6% of Construction and FF&E total
Escalation	\$533,530	\$0	
Soft Costs	\$2,396,616	\$2,396,616	See Detail Below
Other Costs	\$715,000	\$215,000	\$500K "design contingency" used
Land Costs	<u>\$1,700,000</u>	<u>\$1,700,000</u>	
	\$17,510,000	\$19,000,000	(\$1,490,000) OVERBUDGET

Hard Construction Costs Detail

\$10,701,023 Award Bids on 4/5
\$1,339,960 Glass package #11 - low bid amount
\$806,839 CM fees during construction
\$25,000 allowance for City Hall access
\$10,000 allowance for Library trash enclosure
\$5,000 allowance for access to pump house
\$170,000 IT-Phone and computer cabling
\$35,000 Security Alarm System
\$50,000 Construction Staking
\$58,200 Site Facilities Reimbursables
<u>\$13,201,022 Total Hard Construction Costs</u>

Soft Costs Detail

\$1,614,505 Design Professional Fees
\$440,511 CM fees during design
\$205,000 City and Utility Fees
<u>\$136,600 Testing & Inspection Consultants</u>
<u>\$2,396,616 Total Soft Costs</u>



CITY OF MORGAN HILL

Memorandum

Exhibit C

Date: March 28, 2006

To: Mayor and City Council

From: Ed Tewes, City Manager
Julie Spier, Special Assistant to the City Manager

Subject: Proposed Library Financing Plan

On November 30, 2005 Council reviewed the 75% construction documents and considered value engineering. Council at that time increased the budget by \$510,000.00 for a new project budget of \$17.510million.

THE PROJECT

The library project budget consists of land, landscaping, infrastructure and building costs:

- ▶ 5.24 acres of development on the Civic Center Site
- ▶ Redesign and development of the Civic Center Plaza
- ▶ New, at grade parking lot with 105 spaces including 5 accessible stalls
- ▶ Library building: 28,000 sq. ft. –double the current building size
 - Special features:
 - Expanded program room
 - Lobby area with new book display
 - Soft seating area in the children's 800 sq. ft. room
 - Children's reading room of 3600 sq. ft.
 - Expanded international language area
 - Group study room of 489 sq. ft.
 - Quiet study area of 800 sq. ft.
 - Dramatic views of El Toro
 - Friend's workroom and bookstore of 300sq. ft.
 - 36 Computer stations (20 adult, 16 children)
 - Staff spaces of 3200 sq. ft. (offices, conference, break room)
 - Community room with dividable curtain of 1378 sq. ft (872/483)
 - Neighborhood playground of 1200 sq. ft.
 - Energy efficient features for utility, lighting
- ▶ Building built with future expansion incorporated in design concepts.

The project construction is scheduled to begin April 26 provided the bids are awarded as recommended tonight. The construction is projected to be complete April 27, 2007 for County to move-in with opening in summer 2007.

FINANCING

In order to complete the project as outlined and on schedule, it is necessary to identify a total of \$19,075,563 of available funds.

In August 2004, as shown on the attached schedule, we identified \$18.3 million available making certain assumptions about the present value of two future income streams. The first was the present value of future rental payments by the Library JPA, estimated then at \$1.0 million.

The second was the present value of future library impact fees to be collected through build out of the General Plan, estimated then at \$2.7 million.

Because those income streams would be received over 25 or more years, we pointed out that it would be necessary to borrow. In August 2004 we stated: "Future revenue streams can be used to support internal borrowing, or debt service on tax exempt financing or lease payments."

We now have a precise schedule of Library JPA payments, and good estimates of library impact fees paid over the next 23 years. Based on these revenue streams we are now recommending that we issue Certificates of Participation (COP's) sufficient to generate \$3.6 million in proceeds to be spent on the construction of the library. This is similar to the financing approach used for the Police Building.

County JPA Lease

We received a draft lease agreement from Santa Clara County on behalf of the Joint Powers Authority on March 9, 2006. The lease is now under review by the City Attorney. The City Attorney will complete the draft review by April 7 and we will send it back to County Counsel for final comments. It is scheduled to be brought before Council at their May 24 meeting.

The lease terms include the following:

- * Operations of a public library for 30 years with three additional terms of 10 years
- * Lease payment schedule beginning with move-in year (attached)
21 annual payments starting with move-in year with total amount not to exceed \$3,706,260 with no further rental payments for remainder of the lease.
- * City to maintain exterior of the building except for windows
- * City to maintain landscaped areas.

Please refer to attachment C.1 titled JPA Rental Payment Schedule.

Library Development Impact Fees

Based on the currently assessed library development impact fees beginning FY 06/07, the net present value of the fees would be \$3,557,840 not including those collected up to that

date. The amount collected to date of \$650,000 is already allocated to the project budget. Please refer to attachment C. 2 titled Calculation of Library Development Impact Fees.

Reimbursement Agreements

With the recommended COP's we have identified \$19,075,963 to be applied to the revised library project budget with no negative impact to the general fund or redevelopment funds.

Before awarding the construction bids as outlined in a separate memo, it is appropriate for the City and the RDA to adopt "reimbursement agreements" to ensure that bond proceeds may be spent on the project. Attached as Exhibit H is 'A Resolution of the City Council of the City of Morgan Hill declaring its intent to reimburse certain expenditures for a public library project from the proceeds of bonds or other obligations.' The Resolution declares the City's intent to reimburse up to \$4.5 million in Library Project expenditures from bond proceeds. This Resolution is necessary in order for the City to spend certain Library related costs prior to the issuance of bonds and to later be reimbursed with bond proceeds. The \$4.5 million includes bond issuance costs.

Other Financing Options

Redevelopment Agency may consider other construction financing options:

1. Re-bid the entire project.
Staff does not recommend this option due to bidding climate and rate of increase on materials. This will also substantially affect the schedule.
2. Value engineer to the construction budget.
Staff does not recommend this option as this will require cuts in square footage of the building or project scope and will require re-design time and associated costs and will substantially delay the schedule.
3. Value engineer \$275,000.
Staff does not recommend this option as it does not include design costs and does not represent a significant savings that will not be achieved through the course of construction management. Please refer to attachment E for list.
4. Increase allowance from Park Development Fund to fund the plaza area.
Park Development Funds have been earmarked for several other projects and the remaining balance is minimal so staff is not recommending this option.
5. Pursue with the County a library impact fee to cover the unincorporated areas being served by the Morgan Hill Library service area.
Pursuant to Council direction in November 2005, a letter was sent to Supervisor Don Gage and discussions are taking place regarding this option. There is no monetary value placed on this option at this time.

lib imp fee CALCULATION OF LIBRARY DEVELOPMENT IMPACT FEES NPV

	NEW HOMES	POPULA- TION GROWTH	POPULTN 36,423 37,093	REVENUES IF FEES DID NOT INCREASE	REVENUES INFLATED BY 3% GROWTH
2006/07	250	780	37,786	186,420	186,420
2007/08	250	779	38,479	186,181	192,013
2008/09	250	779	39,173	186,181	197,773
2009/10	250	779	39,867	186,181	203,706
2010/11	250	779	40,680	186,181	209,817
2011/12	250	779	41,493	186,181	216,112
2012/13	250	779	42,306	186,181	222,595
2013/14	250	779	43,109	186,181	229,273
2014/15	250	779	43,912	186,181	236,151
2015/16	250	779	44,725	186,181	243,236
2016/17	250	779	45,538	186,181	250,533
2017/18	250	779	46,351	186,181	258,049
2018/19	250	779	47,265	186,181	265,790
2019/20	250	779	48,000	186,181	273,764
2020/21	250	779	48,779	186,181	281,977
2021/22	250	779	49,558	186,181	290,436
2022/23	250	779	50,337	186,181	299,149
2023/24	250	779	51,116	186,181	308,124
2024/25	250	779	51,895	186,181	317,368
2025/26	250	779	52,674	186,181	326,889
2026/27	250	779	53,453	186,181	336,695
2027/28	250	779	54,232	186,181	346,796
2028/29	250	779	55,011	186,181	357,200
2029/30	250	779	55,790	186,181	367,916
2030/31	250	779	56,569	186,181	378,953
	6,250	19,476		4,654,764	6,796,736
NET PRESENT VALUE:		5%			\$3,557,840

Exhibit "D"

New Morgan Hill Library Bid Results Summary

BID PACKAGE #2 - DEMOLITION, EARTHWORK AND SITE UTILITIES

	Estimate		Award	Notes
1 Trinchero Construction		\$686,575	\$686,575	
2 Petersen Construction		\$843,400		
3 O'Grady Paving		\$924,000		
4 Pavex Construction		\$987,995		
5 McGuire Hester		\$1,045,000		
6 Stevens Creek Quarry		\$1,057,995		
Average	\$924,161			

BID PACKAGE #3 - STRUCTURAL CONCRETE

	Estimate		Award	Notes
1 Berkeley Cement		\$1,393,000		REJECT BID, NON-RESPONSIVE
2 Robert A Bothman		\$1,458,809	\$1,458,809	
3 Joseph Albanese		\$1,679,163		
4 Casey-Fogli		\$1,891,149		
5 Urata & Sons		\$2,296,632		
Average	\$1,743,751			

BID PACKAGE #4 - STRUCTURAL STEEL

	Estimate		Award	Notes
1 Morris Steel Co		\$1,172,000		REJECT BID, NON-RESPONSIVE
2 Glazier Iron Works		\$1,576,500	\$1,576,500	
3 Lee's Imperial Welding		\$1,692,873		
Average	\$1,480,458			

BID PACKAGE #5 - ELECTRICAL

	Estimate		Award	Notes
1 Cupertino Electric	\$1,207,887	\$1,594,850	\$1,594,850	
2 The Best Electrical Co.		\$1,619,068		
3 General Lighting Service		\$1,782,606		
4 Elcor Electric		\$1,940,800		
Average	\$1,734,331			

BID PACKAGE #6 - PLUMBING

	Estimate		Award	Notes
1 Ciari Plumbing	\$206,287	\$225,488	\$225,488	
2 West Valley Plumbing		\$244,680		
3 Sanchez Inc.		\$248,000		
4 Facility Systems		\$278,900		
5 Environmental Systems		\$312,900		
Average	\$261,994			

Exhibit "D"

BID PACKAGE #7 - HVAC, FLASHING & SHEET METAL

Estimate		Award	Notes
	\$911,866		
1 WKW Mechanical	\$1,077,900	\$1,077,900	Bid Form not signed-WAIVE *
2 Environmental Systems	\$1,167,000		
3 Facility Systems	\$1,307,000		
4 Thermal Mechanical	\$1,349,430		
5 Ray Hellwig Mechanical	\$1,418,000		
6 Air Systems	\$1,538,300		
7 Best Roofing	\$1,890,000		
Average	\$1,392,519		

BID PACKAGE #8 - FIRE SPRINKLERS

Estimate		Award	Notes
	\$101,710		
1 Nor Cal Fire	\$94,500	\$94,500	No addenda #3-WAIVE *
2 Allied Fire Protection	\$158,750		
3 Walschon Fire Protection	\$200,223		
Average	\$151,158		

BID PACKAGE #9 - DRYWALL

Estimate		Award	Notes
	\$757,742		
1 Allen Specialties	\$930,000	\$930,000	Not Notarized-WAIVE *
2 Daleys Drywall	\$1,102,953		
3 Bayside Interiors	\$1,236,000		
4 Best Drywall Interiors	\$1,312,900		
Average	\$1,145,463		

BID PACKAGE #10 - DOORS, FRAMES AND HARDWARE

Estimate		Award	Notes
	\$69,001		
1 Trim Tech	\$84,373	\$84,373	
2 Minton Door	\$115,500		
3 Tisys Construction	\$131,378		
Average	\$110,417		

BID PACKAGE #11 - GLASS & GLAZING

Estimate		Award	Notes
	\$719,291		
1 Best Roofing and Waterproofing	\$1,339,960	REBID	sole bidder-REJECT & REBID Note: we are "reserving" the entire amount in the budget.
Average	\$1,339,960		

BID PACKAGE #12 - MILL & CASEWORK

Estimate		Award	Notes
	\$388,284		
1 Amberwood Installation	\$437,200	\$437,200	
2 Y&D Cabinet Shop	\$516,745		
3 Northwestern Design	\$587,400		
4 Southwest Construction	\$688,860		
Average	\$557,551		

Exhibit "D"

BID PACKAGE #13 - PAINTING & WALL COVERING

Estimate		Award	Notes
	\$86,060		
1 C&O Painting	\$60,727		REJECT BID, NON-RESPONSIVE
2 Mastria Inc.	\$88,310	\$88,310	
3 George Masker	\$88,767		
4 Picone Painters	\$99,469		
5 Fairway Painting Assoc.	\$118,878		
6 A&B Painting	\$120,700		
7 Blue Skies Painting	\$124,990		
Average	\$100,263		

BID PACKAGE #14 - ACOUSTICAL CEILING

Estimate		Award	Notes
	\$270,693		
1 Bayside Interiors	\$240,835	\$240,835	Bid Form not signed-WAIVE *
2 T-3 Inc.	\$292,934		
3 Dudley Associates	\$294,000		
Average	\$275,923		

BID PACKAGE #15 - CERAMIC TILE

Estimate		Award	Notes
	\$49,094		
1 California Tile Installers	\$60,304	\$60,304	No Addenda #1-WAIVE *
2 Wm. R. Drue Tile Co.	\$65,400		
3 Reputable Tile Co.	\$76,660		
4 Gino Rinaldi	\$127,355		
Average	\$82,430		

BID PACKAGE #16 - FINISH FLOORS

Estimate		Award	Notes
	\$144,035		
1 Welker Bros.	\$129,644	\$129,644	No Addenda #4-WAIVE *
2 Preston Holmes	\$129,929		
3 Grand Central Flooring	\$131,410		
4 R.E. Cuddie Co.	\$145,770		
Average	\$134,188		

BID PACKAGE #17 - ROOF MEMBRANE & WATERPROOFING

Estimate		Award	Notes
	\$407,007		
1 Best Roofing & Waterproofing	\$472,000	\$472,000	
2 Pioneer Contractors	\$478,000		
3 Waterproofing Associates	\$613,988		
4 Reinhardt Roofing	\$655,625		
5 Alcal Arcade Contruction	\$937,525		
Average	\$631,428		

BID PACKAGE #18 - LANDSCAPING

Estimate		Award	Notes
	\$720,820		
1 B&B Landscape Contractors	\$561,000	\$561,000	
2 Eggli Landscape Contractors	\$607,310		
3 Cohen Landscaping Services	\$846,801		
4 Craven Landscaping	\$894,488		
Average	\$727,400		

Exhibit "D"

BID PACKAGE #19 - GENERAL

	Estimate		Award	Notes
1	Valhalla Builders & Developers	\$933,000	\$933,000	No sub % listed - WAIVE *
2	Shellco	\$1,019,000		
3	Southwest Construction	\$1,114,375		
	Average	\$1,022,125		

BID PACKAGE #20 - SCAFFOLDING

	Estimate		Award	Notes
1	Brand Scaffold	\$16,025		REJECT BID, NON-RESPONSIVE
2	Safway Services	\$49,735	\$49,735	
3	The Scaffold Works	\$61,875		
	Average	\$42,545		

Total Awards (excluding rebid package #11) \$10,701,023

NOTE: The * in the notes column indicates that the City Council is required to "Waive minor irregularities in the bids that do not materially affect the amount of the bid nor provide a competitive advantage to the low bidder" in order to award.

Memorandum

To: City Council
From: Jim Dumas
Date: April 5, 2006
Subject: Noll & Tam Additional Services for the Library

Staff is seeking an amendment to Noll & Tam's consultant contract for additional services. Staff has asked Noll & Tam to provide the audio visual design for the Multi-Purpose Program Room and public address system throughout the entire library. The services include construction documents and specifications to publicly bid the work as well as administrative support during construction. The cost of these services is \$13,090.

Noll & Tam's original proposal did not include the exterior metal stud work as part of the structural engineering work. They proposed this work as a design/build element. Staff felt that this was such an important piece in the overall performance of the exterior wall that we asked Noll & Tam to fully engineer the exterior wall metal studs framing. This eliminated multi-source responsibility for the integrity of the exterior wall system. The fee to provide the construction documentation and specifications as well as administrative support during construction is \$20,900.

Overall accounting of this Contract is as follows:

Original Consultant Agreement July 25, 2001	\$ 1,058,019.00	
Amendment (State Library Bond Application) Council Approval May 15, 2003	\$ 20,000.00	
Second Amendment (Add Consultant Services) Council Approval March 16, 2005	\$ 210,200.00	
Third Amendment (Negotiated Increase in Fee) Council Approval May 4, 2005	\$ 171,753.00	
Fourth Amendment (Signage Design) Council Approval November 16, 2005	\$ 29,000.00	
Fifth Amendment (Accounting Clarification) Council Approval November 30, 2005	\$ 20,000.00	
Current Amendment under Consideration	\$ 13,090.00	Audio-Visual
	20,900.00	Metal Stud Design
Total	\$ 1,542,962.00	



CITY COUNCIL STAFF REPORT

MEETING DATE: APRIL 5, 2006

Agenda Item # 24

Prepared By:

**Special Assistant to the
City Manager**

Submitted By:

City Manager

FRIENDS OF THE MORGAN HILL LIBRARY ‘NAMING OPPORTUNITIES’ FOR FUNDRAISING CAMPAIGN

RECOMMENDED ACTION(S):

Provide Direction to The Friends of the Morgan Hill Library on authorizing room/area naming rights to potential donors for the new public library as part of their fundraising campaign.

EXECUTIVE SUMMARY:

The Friends of the Morgan Hill Library plan to “kick-off” their fund-raising efforts for the new library project with the upcoming groundbreaking ceremony. In anticipation of this event, they are requesting that the Redevelopment Agency Board provide them with authorization to market the naming rights of specific rooms and designated areas within the library spaces.

The attached memo from the Friends’ President Carol O’ Hare provides a list of sponsor funding levels and the corresponding naming room choices. Staff is recommending that the Redevelopment Board authorize the naming opportunities so the Friends may start their fundraising campaign.

FISCAL IMPACT: The Library Construction Project would be enhanced by any donations from the Friends for fixtures, materials, and art.



CITY COUNCIL STAFF REPORT
MARCH 22, 2006

Agenda Item #25

Prepared By:

**Council Services &
Records Manager**

Submitted By:

City Manager

CO-SPONSORSHIP REQUEST - COMMUNITY SOLUTIONS

RECOMMENDED ACTION(S): Consider Request for Co-Sponsorship from Community Solutions

EXECUTIVE SUMMARY:

Amy Molica, Coordinator of the Sexual Assault Prevention Program with Community Solutions, is requesting the City Council co-sponsor a program entitled "Truth & Hope: Un-masking Sexual Assault, Shedding Light for an End to Violence" scheduled for April 19, 2006. A film on sexual assault prevention will be shown. This portion of the program will take place in the Community Playhouse. The unveiling of a display created by project participants, and a reception will follow the program in the El Toro Room. Community Solutions is requesting the City co-sponsor this event in the amount of \$255 to pay for the use of the Playhouse (\$110.50 for 2 hours use, non profit rate) and the El Toro Room (\$144.50 for 2 hour use, non profit rate). Community Solutions will pay four hours for an event attendant (\$80).

FISCAL IMPACT: Should the Council agree to co-sponsor this event, \$255 from the General Fund Reserves would need to be appropriated to the Community Promotions budget (010-1220-42248).



CITY COUNCIL STAFF REPORT

MEETING DATE: April 5, 2006

PERMANENT SKATE PARK- REVISION TO CAPITAL IMPROVEMENT PLAN

RECOMMENDED ACTION(S): 1) Receive staff report on proposed revision to Capital Improvement Plan for Development of a Permanent Skate Park per Youth Advisory Committee and Parks and Recreation Commission Recommendations 2) Appropriate \$65,000 of Measure C Impact Fees from Unappropriated Funds to be combined with State Dept of Recreation Grant funding to provide a permanent Skate Park located at the approved Community Indoor Recreation Site

EXECUTIVE SUMMARY: The Parks and Recreation Master Plan and the current Capital Improvement Plan call for a Permanent Skateboard/Bicycle Park Project #119001 to be constructed in FY 2009-10 located at the northeast corner of the Community Indoor Recreation site. The concept for the project is to construct an in-ground concrete reinforced structure. Based on this concept the estimated cost of the project is \$855,000. Staff estimates that the actual project cost today would be more on the order of \$1- 1.2 million. The project as identified in the current CIP is unfunded.

At its March 6, 2006 meeting staff proposed to the YAC that the current CIP and concept of an in-ground concrete skate park be revised. A Permanent Skate Park could be located at the Community Indoor Recreation Site built on a concrete or asphalt pad with portable skate elements constructed of steel framing and steel/composite ramp surfaces. The construction materials have changed substantially from when the current temporary skate park was built. Skate park element vendors are offering 15 year or greater guarantees for the elements and allow bicycle use.

Staff has identified a State Department of Recreation Grant for \$96,000 (Proposition 12 2000 Bond Act) which funds projects that provide after school activities. In 2002 staff applied for this source of funding to repair the existing Interim Skate Park on Butterfield Blvd. This specific project was found ineligible because the City did not own the property at that time and could not provide documentation that the City had a lease agreement for a minimum of 10 years with the property owner, VTA. However, at that time a placeholder for these funds was given to the City for the Proposition 12 funding and a State/City Contract established. At this time, a new application can be submitted for a permanent skate park to be located at the IRC site. Staff has also identified an additional source of funding to supplement the grant- Measure C Impact fees. Combining these two sources of funding a Permanent Skate Park could be constructed for approximately \$130,000 at a total project cost of approximately \$161,000. Preliminary cost estimates for site improvements and portable metal skate/bike elements verify that this is a realistic budget for this project.

The Youth Advisory Committee and PRC are in favor of this CIP revision and pursuit of a permanent Skate/Bicycle Park at the Community Indoor Recreation Site.

FISCAL IMPACT: Appropriate \$65,000 from Unappropriated Measure C Impact Funds to combine with Proposition 12 2000 Bond Act funding of \$96,000 to fund a Permanent Skate/Bicycle Park to be located at the Community Indoor Recreation Site.

Agenda Item # 26

Prepared By:

**Dep Dir
PW/Operations**

Approved By:

Public Works Director

Submitted By:

City Manager



CITY COUNCIL STAFF REPORT

APRIL 5, 2006

Agenda Item #27

Prepared By:

**Council Services &
Records Manager**

Submitted By:

City Manager

COMPREHENSIVE IMMIGRATION REFORM (HR 4437)

RECOMMENDED ACTION(S): Authorize Mayor to Send a Letter in Opposition to HR4437, and in Support of Fairness and Justice for Immigrants

EXECUTIVE SUMMARY:

The Council is aware that the Congress is reviewing HR 4437 (Rep Sensenbreyer), one of several bills addressing Immigration Reform. Concern is being expressed across the Country by Hispanic community members and others about the effect the proposed bill would have on undocumented immigrants and individuals/agencies assisting undocumented immigrants. This concern was demonstrated by a group of Live Oak High School students as they marched from the High School to the Civic Center and other parts of the community.

Mayor Kennedy has requested that the discussion of HR 4437 be placed on the Council's April 5, 2006 agenda. He will be requesting that the Council authorize him to send a letter to our congressional representatives in opposition to HR 4437 and in support of fairness and justice for immigrants.

Staff was aware that the City of San Jose City Council would be taking a position on this issue on Tuesday, March 28, 2006, and was able to receive a copy of the resolution that was unanimously adopted by said City Council. A copy of the staff report and resolution are attached for Council reference.

FISCAL IMPACT: No budget adjustment required.